



2021

HALF YEAR REPORT

Presentation to
Investors & Analysts

PEOPLE | TECHNOLOGY | SERVICE

Agenda

Overview of Operating Environment	Pages 04 – 07
Group Results	Pages 08 – 22
Risk Management	Pages 23 – 28
Business Segments Performance & Subsidiary Review	Pages 29 – 34
Strategy, Outlook & Guidance	Pages 35 – 38

Disclaimer



This presentation is based on the consolidated financial statements of Zenith Bank Plc, a company incorporated in Nigeria on 30 May 1990, and its subsidiaries (hereinafter collectively referred to as "the Group"). The financial statements are prepared in accordance with the International Financial Reporting Standard (IFRS), and the going concern principle under the historical cost convention as modified by the measurement of certain financial instruments held at fair value.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and disclosures at the date of the financial statements. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

A nighttime photograph of an industrial facility, likely a port or refinery, with numerous cranes and buildings illuminated by warm yellow lights. In the foreground, a multi-lane bridge with concrete pillars spans across a body of water. The bridge is lit with blue lights, which reflect on the water's surface. The sky is dark, and the overall scene conveys a sense of active industrial operations.

Overview of Operating Environment

Nigerian Economy and Key Developments in the Banking Sector

Real GDP Growth:

- Nigeria's real GDP grew by 5.01% y/y in Q2 2021, a significant improvement of 4.5% points over the 0.51% y/y growth rate recorded in Q1 2021.
- The oil sector contracted by -12.65% y/y and contributed 7.42% to total real GDP in Q2 2021 while the non-oil sector expanded by 6.74% and contributed the balance of 92.58%. The expansion in non-oil sector was driven mainly by growth in Trade, Information and Communication (Telecommunication), Transportation (Road Transport), Electricity, Agriculture (Crop Production) and Manufacturing (Food, Beverage & Tobacco).

Headline Inflation:

- Headline inflation declined to 17.38% y/y in Jul'21 from 17.75% y/y recorded in Jun'21.
- Over the same period, food inflation declined by 80 bps to close at 22.03% y/y while core inflation rose by 63 bps to close at 13.72% y/y.

Oil Production & Price:

- OPEC average monthly basket price increased by 11.3% in the 2nd quarter of 2021, from \$64.6/bbl recorded in Mar'21 to \$71.9/bbl recorded in Jun'21. The average daily basket price currently stands at \$69.4/bbl as at 17th Aug. 2021.
- Nigeria recorded an average daily oil production of 1.61 mbpd in Q2 2021, a decrease of 0.11 mbpd from 1.72 mbpd recorded in Q1 2021.

Foreign Reserves:

- Nigerian foreign reserves declined by 4.3% QoQ from \$34.8bn recorded at the end of Q1 2021 to \$33.3bn recorded at the end of Q2 2021. The foreign reserves currently stands at \$33.5bn as at 19th Aug. 2021.

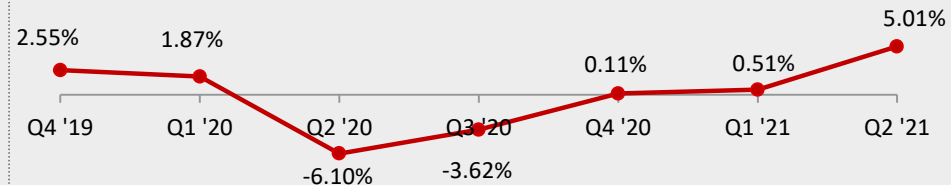
Exchange Rate:

- The local currency (NGN) depreciated by about 2.6% against the USD in H1 2021 at the NAFEX (I&E) window. Exchange rates (NGN/USD) as at end of June 2021: NAFEX – 410.66; CBN Retail – 412.25 (December 2020: NAFEX– 400.30; CBN Retail – 408.10).

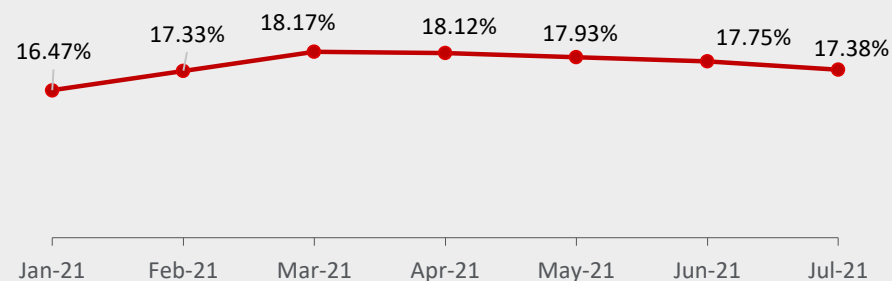
Cash Reserve Ratio (CRR) & Monetary Policy Rate (MPR):

- The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) voted to keep all monetary policy rates the same during the MPC meeting held in July 2021. Cash Reserve Ratio (CRR) - 27.5%; Monetary Policy Rate (MPR) – 11.5%; and Liquidity Ratio - 30%.

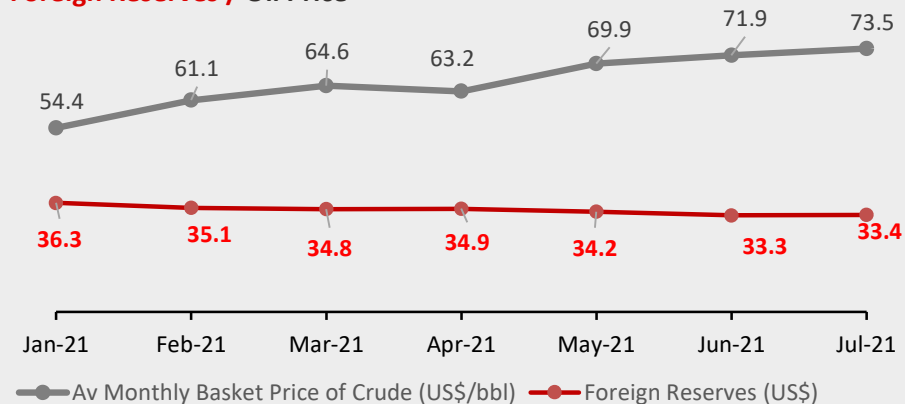
GDP Growth Rate



Inflation Rate



Foreign Reserves / Oil Price



Source: National Bureau of Statistics, Central Bank of Nigeria, OPEC

Nigerian Economy and Key Developments in the Banking Sector

- Expected commencement of the proposed Central Bank Digital Currency initiative: CBN digital currency has gained traction with the recent appointment of Bitt Inc. as technical partner.
- FX sales to the retail end users now handled by banks.
- Commencement of Road Infrastructure Credit Scheme is expected to improve infrastructure development across the country.
- Expected commencement of N1.5 trillion Infrastructure company of Nigeria in Q3.
- LIBOR transition to Secured Overnight Financing Rate (SOFR) expected on 31 December 2021 with market participants unclear about inherent risk level that converting existing contracts might pose.
- Expected improvement in FX liquidity as Nigeria expects to get US\$3.35bn of IMF's US\$650bn special drawing rights.
- The Petroleum Industry Act is expected to bring significant improvement in the oil and gas sector.

Our Investment Proposition

Market leadership, growth capacity, formidable capital and liquidity buffer, strengthened ERM practices, good returns on investment and excellent customer service.

A dominant player in the Nigerian Banking Industry:

- Controls a significant share of the high-end corporate clients in all sectors of the Nigerian economy.
- The bank uses its strong balance sheet and liquidity as well as efficient trade finance processes and services, to continuously grow and support its customers.

Growing footprint in the retail and digital space:

- Continues to attract and grow its share of retail customers and retail business in the market.

Strong Focus on Risk Management:

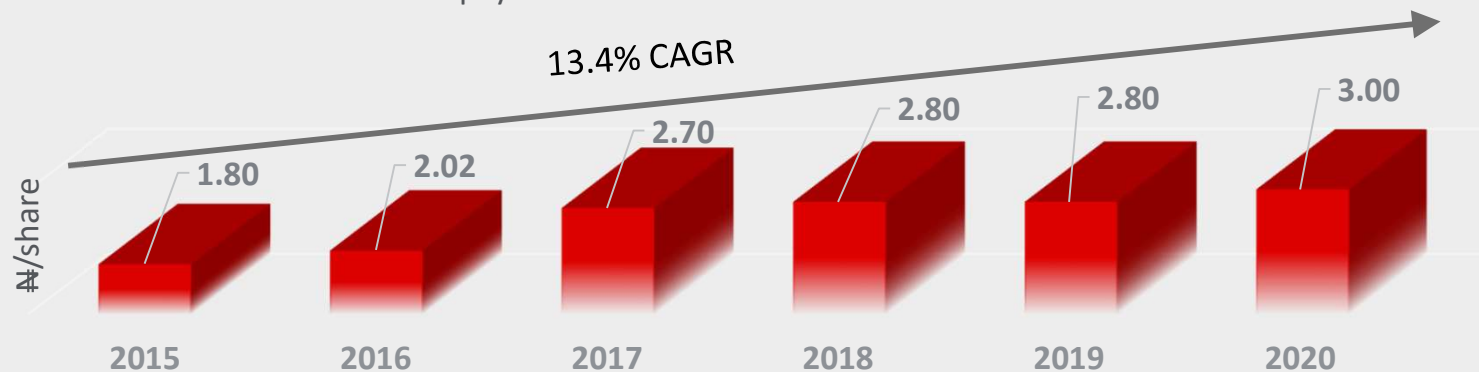
- NPL ratio came in at 4.5% with a coverage ratio of 115.0%. The Group will continue to implement robust risk management practices and maintain the lowest possible NPL ratio.

Credit Rating: Constrained by Sovereign Ratings

- Standard and Poor's ratings for Zenith Bank are: B-/Stable/B (Issuer Credit Rating)
- Fitch ratings are: 1) Long-term foreign currency IDR: 'B' – stable outlook; 2) Short-term foreign currency IDR: 'B'; 3) National Long-term rating: 'AA-(nga)'; 4) National Short-term rating: 'F1+(nga)'.
- Moody's ratings: 1) Long Term Debt - B2 with Negative Outlook; 2) Long Term Deposit – B2 with Negative Outlook

Consistent and Growing Dividend Payout:

- Good and consistent dividend payout to its investors.



Non-financial Highlights

Non-financial Highlights

SOCIAL IMPACT/CSR

- Member of the Nigeria Coalition against Covid-19
- Private Sector Health Alliance Project
- Zenith Bank National Women Basketball League
- The Muson Centre Project
- Construction of Radiology and Orthopedic Center
- States' Governments Security Trust Fund and infrastructure

CUSTOMERS/CHANNELS

		H1 2021	H1 2020
Number of Customers		13,705,995	11,048,592
Number of Cards Issued		12,275,259	9,011,254
Number of active POS Terminals		135,463	57,429
Agents		62,341	14,896
Number of ATM Terminals		2,051	2,033
Number of Branches		442	437
Number of Cash Centres		178	171
Number of Male Employees		3,912	4,024
Number of Female Employees		3,936	3,741
Total Number of Staff		7,848	7,765

AWARDS

- Most Valuable Banking Brand in Nigeria 2021 - *The Banker*
- Number One Bank in Nigeria by Tier-1 Capital - *The Banker*
- Best Bank in Nigeria 2021 - *Global Finance Magazine*
- Best Corporate Governance 'Financial Services' Africa 2021 - *Ethical Boardroom*
- Best Commercial Bank in Nigeria 2021 - *World Finance*
- Bank of the Decade (People's Choice) - *Thisday Awards 2020*
- Bank CEO of the Year 2020 - *BusinessDay Newspapers*
- Retail Bank of the Year 2020 - *BusinessDay Newspapers*
- Bank of the Year 2020 (Nigeria) - *The Banker*

SHARE HOLDINGS



Number of Shareholders

644,282

ONBOARDING CHANNELS

- *966*0*#
- Zenith Mobile App
- www.zenithbank.com
- Zenith Bank ATMs
- Zenith Bank Branches
- Zenith Bank Agents

PRODUCT INNOVATIONS

- Emergency USSD Code ***966 *911#**
- Virtual Debit Card
- ZiVA on WhatsApp (07040004422)
- USSD on POS
- Biometric ATM operations

SOCIAL MEDIA FOLLOWING

	6,248,838
	521,450
	28,389,310 (views)
	168,202

Group Results

Financial Highlights – H1 2021

Key Themes

- ✓ Efficiency and risk management for superior performance.
- ✓ Building a shock-proof balance sheet.
- ✓ Growing our footprint in the retail and digital space.

Income Statement

Gross earnings: ₺345.6Bn	-0.15% YoY
Net-interest income: ₺159.9Bn	+1.6% YoY
Non-interest income: ₺126.8Bn	+8.8% YoY
Profit before tax: ₺117.1Bn	+2.6% YoY
Profit after tax: ₺106.1Bn	+2.2% YoY

Balance Sheet

Customers' deposits: ₺5.77Tn	+8.1% YtD
Gross loans: ₺2.99Tn	+2.5% YtD
Total assets: ₺8.52Tn	+0.4% YtD
Total shareholders' funds: ₺1.14Tn	+2.3% YtD

Financial Highlights – H1 2021 Contd.

Key Ratios			
	30-Jun-21	30-Jun-20	% change
Earnings per share (EPS)	N3.38	N3.30	2.4%
Return on average equity (RoAE)	18.8%	21.5%	(12.%)
Return on average assets (RoAA)	2.5%	3.0%	(16.7%)
Net interest margin - NIM	6.5%	9.0%	(27.8%)
Cost of funds	1.3%	2.2%	(40.9%)
Cost of risk	1.3%	1.8%	(27.8%)
Cost-to-income ratio	56.1%	54.3%	3.3%
	30-Jun-21	31-Dec-20	
Liquidity ratio (Group)	69.9%	66.2%	5.6%
Liquidity ratio (Bank)	59.0%	62.5%	(5.6%)
Loan-to-deposit ratio (Group)	51.9%	54.7%	(5.1%)
Loan-to-deposit ratio (Bank)	61.6%	64.5%	(4.5%)
Capital adequacy ratio (CAR)	22.0%	23.0%	(4.3%)
Non-performing loan ratio (NPL)	4.5%	4.3%	4.7%
Coverage ratio	115.0%	112.1%	2.6%

Profit or Loss Statement

- Strong bottom line, boosted by strong growth in fees and commission income and cost of funds reduction.

(N'million)	Group 6M 21	Group 6M 20	YoY Change
Gross income	345,559	346,088	-0.15%
Interest and similar income	203,934	216,954	-6.00%
Interest and similar expense	(43,994)	(59,545)	-26.12%
Net interest income	159,940	157,409	1.61%
Impairment charge	(19,799)	(23,923)	-17.24%
Net interest income after impairment charge	140,141	133,486	4.99%
Net fee and commission income	47,664	33,503	42.27%
Trading gains	59,275	58,832	0.75%
Other operating income	19,829	24,151	-17.90%
Depreciation of property and equipment	(12,925)	(12,471)	3.64%
Amortisation of intangible assets	(1,770)	(1,778)	-0.45%
Personnel expenses	(37,577)	(38,868)	-3.32%
Operating expenses	(97,578)	(82,731)	17.95%
Profit before tax	117,059	114,124	2.57%
Tax expense	(10,940)	(10,298)	6.23%
Profit after tax	106,119	103,826	2.21%

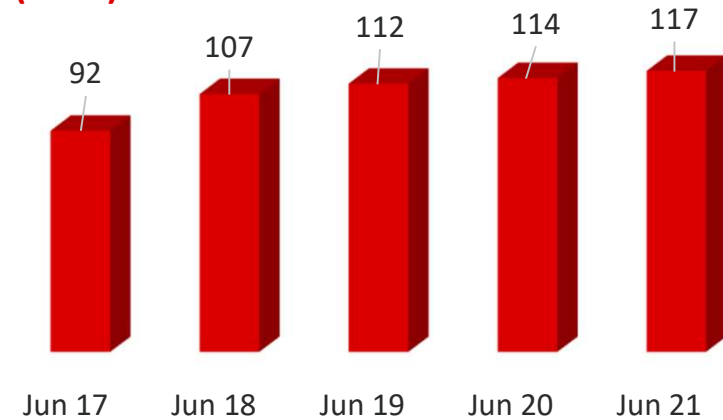
Consolidating Earnings and Profitability



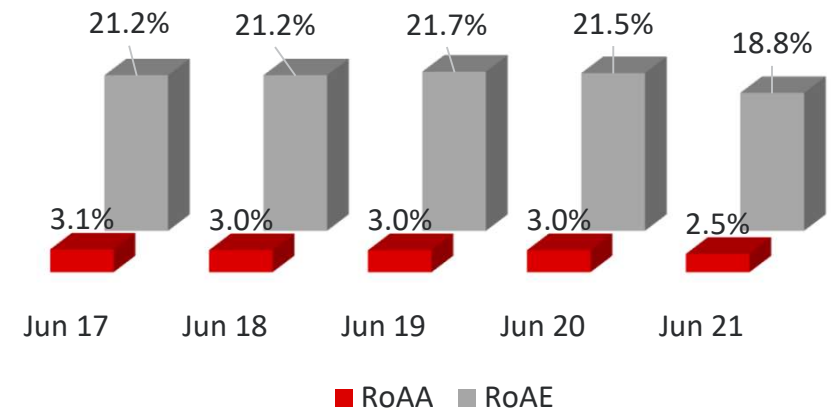
Zenith Group continues to deliver attractive earnings profile, supported by diversified revenue base.

- **PBT** increased by 2.6% YoY from N114.1 billion in H1 2020 to N117.7 billion in Q1 2021 despite the marginal decline in revenue from N346.1 billion to N345.6 billion over the same period.
- **ROAE** declined from 21.5% to 18.8% YoY due to the 15.6% YoY increase in capital base and the slow recovery of the economy.

PBT (N'Bn)



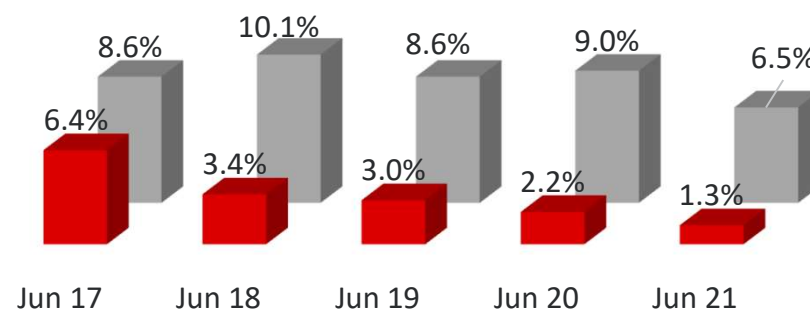
RoAA & RoAE



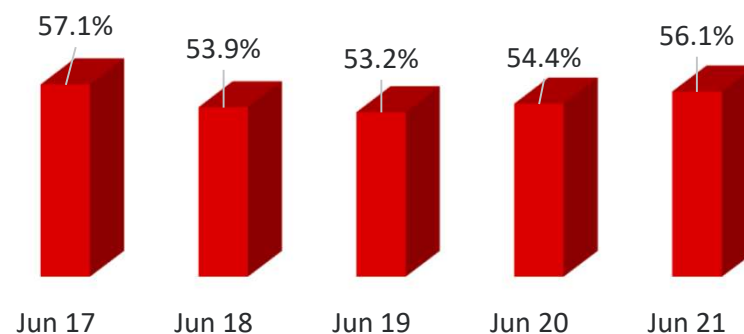
Consolidating Earnings and Profitability Contd.

- **Net Interest Margin - NIM** contracted from 9.0% in H1 2020 to 6.5% in H1 2021 due to the lower yield environment.
- **Cost of Funds** dropped to 1.3% in H1 2021 from 2.2% recorded in H1 2020 as a result of rebalancing of our funding mix and low interest rates.
- **Cost-to-Income Ratio** increased from 54.4% recorded in H1 2020 to 56.1% recorded in H1 2021 due to inflationary pressures and regulatory costs.

Cost of Funds & Net Interest Margin



Cost to Income Ratio

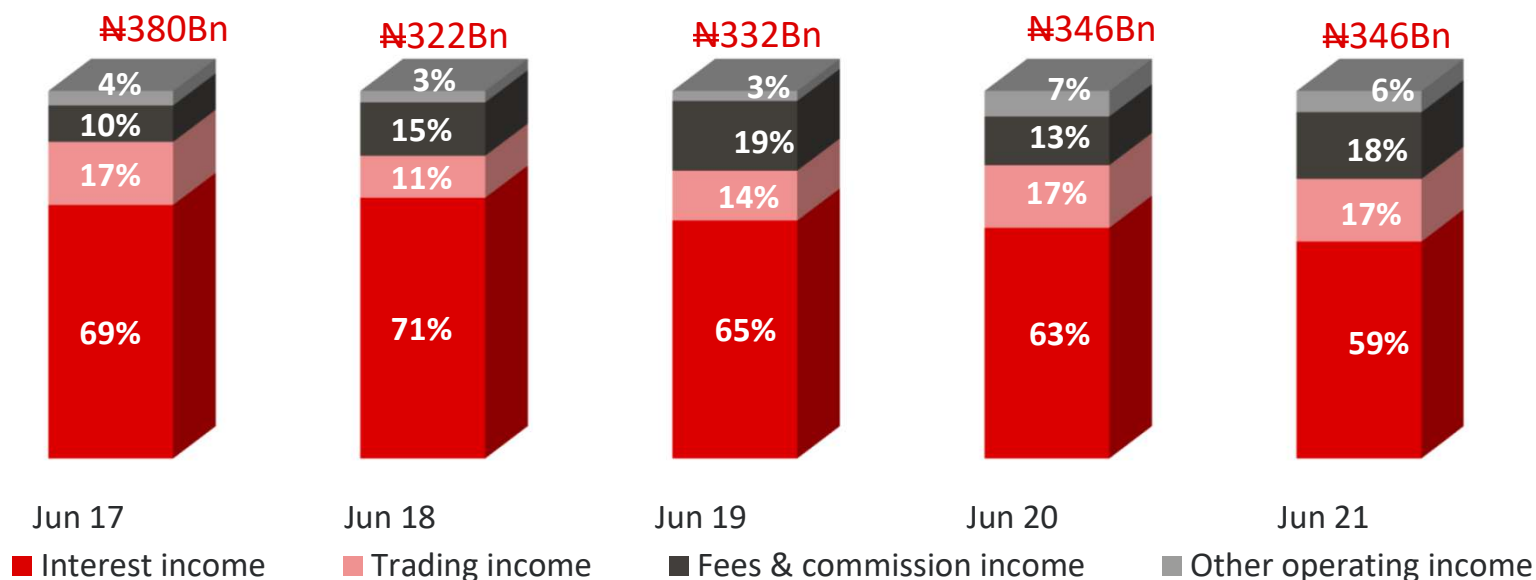


Evolution of Revenue Base

- Contribution of non-interest income to total revenue increased from 37.3% in H1 2020 to 41.0% in H1 2021.

N'million	H1 2021	% to Total Revenue	H1 2020	% to Total Revenue	YoY
Interest income	203,934	59.0%	216,954	62.7%	-6.0%
Trading income	59,275	17.2%	58,832	17.0%	0.8%
Fees and commissions income	62,521	18.1%	46,151	13.3%	35.5%
Other operating Income	19,829	5.7%	24,151	7.0%	-17.9%
Non Interest Income	141,625	41.0%	129,134	37.3%	9.7%
Total Revenue	345,559	100.0%	346,088	100.0%	-0.2%

Share of Total Revenue

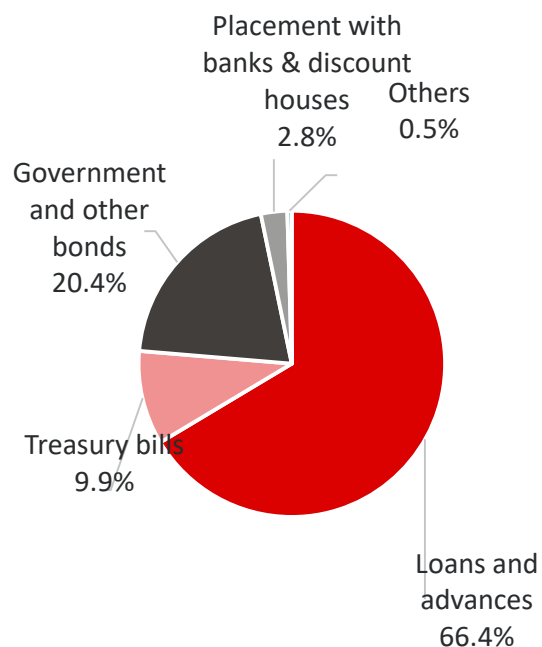


Revenue Base: Interest Income Lines

- Interest income declined by 6% YoY due to the prevailing low yield environment which affected yields on some marketable securities.

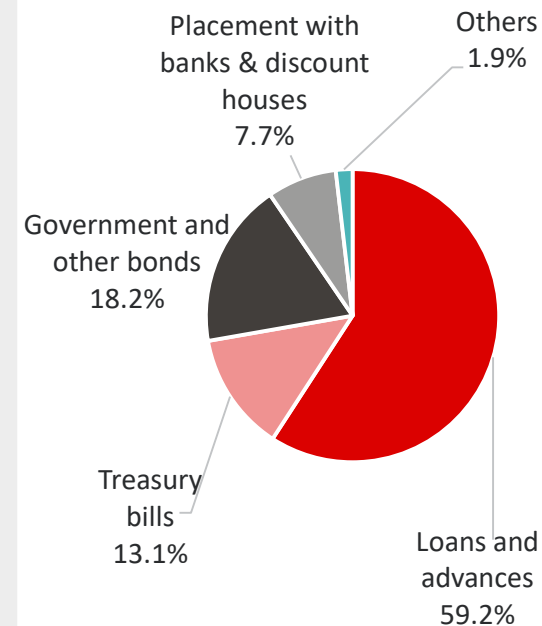
Interest Income

H1 2021



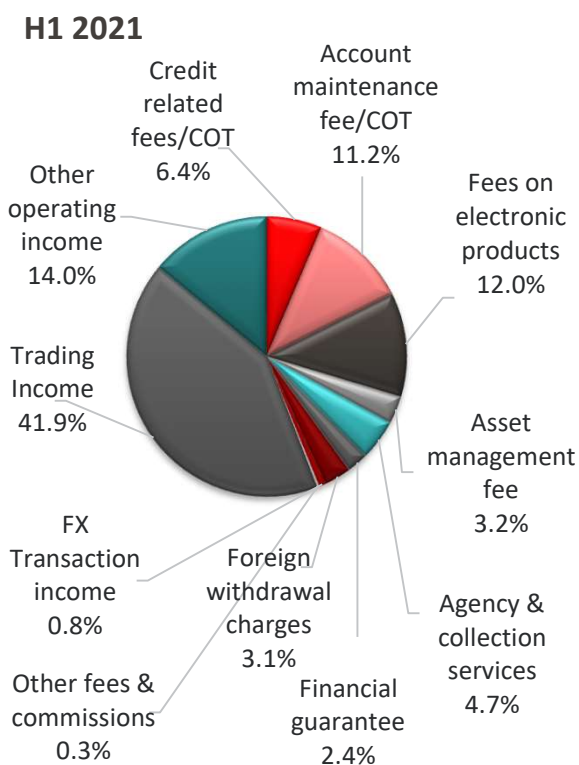
N'million	H1 2021	H1 2020	YoY
Loans and advances	135,426	128,367	5%
Treasury bills	20,287	28,383	-29%
Government and other bonds	41,582	39,519	5%
Placement with banks & discount houses	5,664	16,654	-66%
Others	975	4,031	-76%
Total	203,934	216,954	-6%

H1 2020

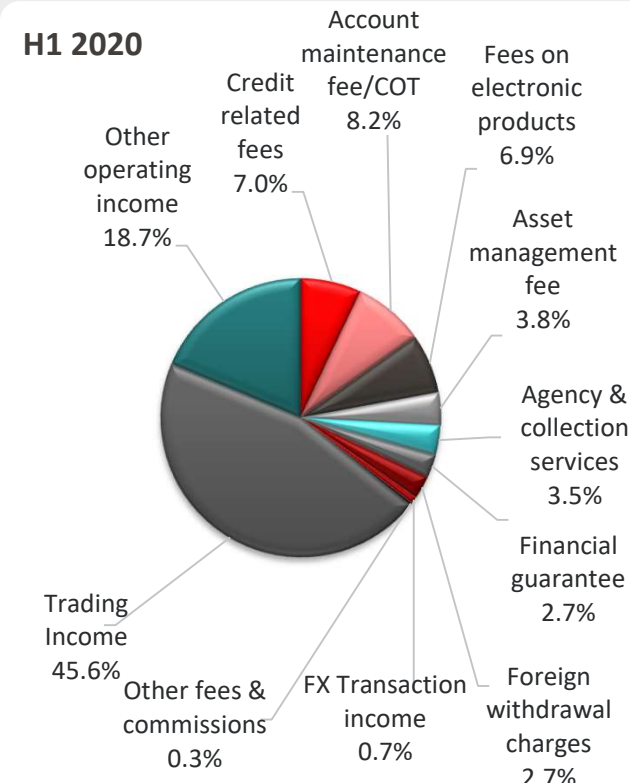


Revenue Base: Non-Interest Income (NII) Diversification

- The impressive growth recorded in fees on electronic products (91%), account maintenance fee (51%) and agency & collection (50%) sustained net non-interest income which grew by 9% YoY.



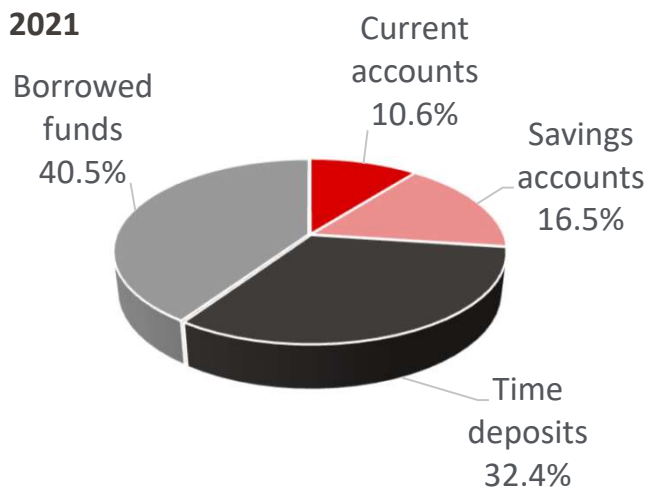
N'million	H1 2021	H1 2020	YoY
Credit related fees	9,039	9,063	0%
Account maintenance fee/COT	15,905	10,525	51%
Fees on electronic products	17,048	8,937	91%
Asset management fee	4,509	4,856	-7%
Agency & collection services	6,691	4,473	50%
Financial guarantee	3,440	3,454	0%
Foreign withdrawal charges	4,439	3,466	28%
FX Transaction income	1,078	958	13%
Other fees & commissions	372	419	-11%
Total fees & commission income	62,521	46,151	35%
Fees and commission expense	(14,857)	(12,648)	17%
Net fee & commission income	47,664	33,503	42%
Trading Income	59,275	58,832	1%
Other operating income	19,829	24,151	-18%
Net non- interest income	126,768	116,486	9%



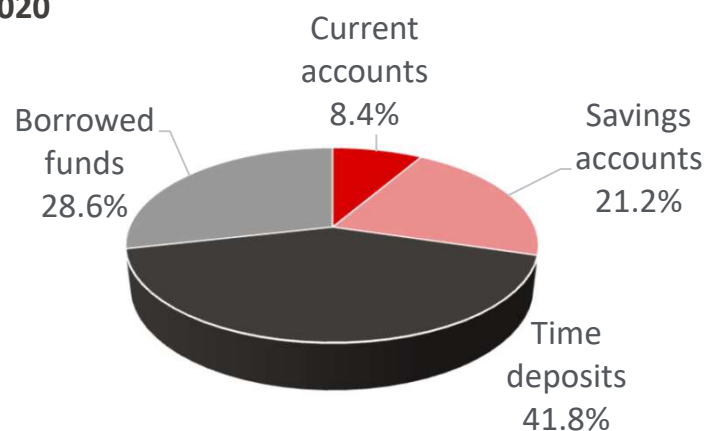
Interest Expense: Funding Cost Reduction

Interest Expenses

H1 2021



H1 2020



- Interest expense declined by 26% YoY as a result of rebalancing of deposit mix and the declining yield environment.

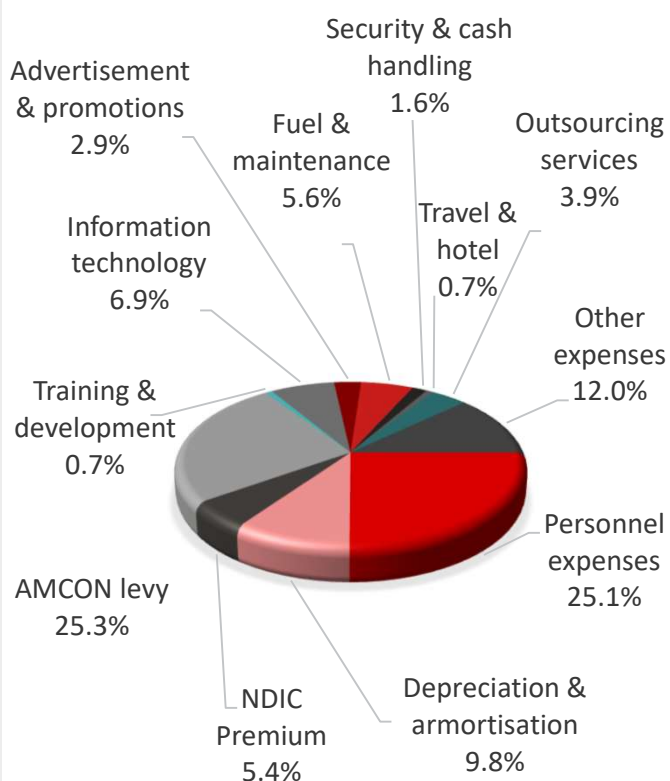
N'million	H1 2021	H1 2020	YoY
Current accounts	4,661	5,007	-7%
Savings accounts	7,264	12,622	-42%
Time deposits	14,239	24,913	-43%
Borrowed funds	17,830	17,003	5%
Total	43,994	59,545	-26%

Continuous Efforts Towards Cost Optimisation.

- Total operating expenses grew by 10% YoY, which is below 17.6% inflation.

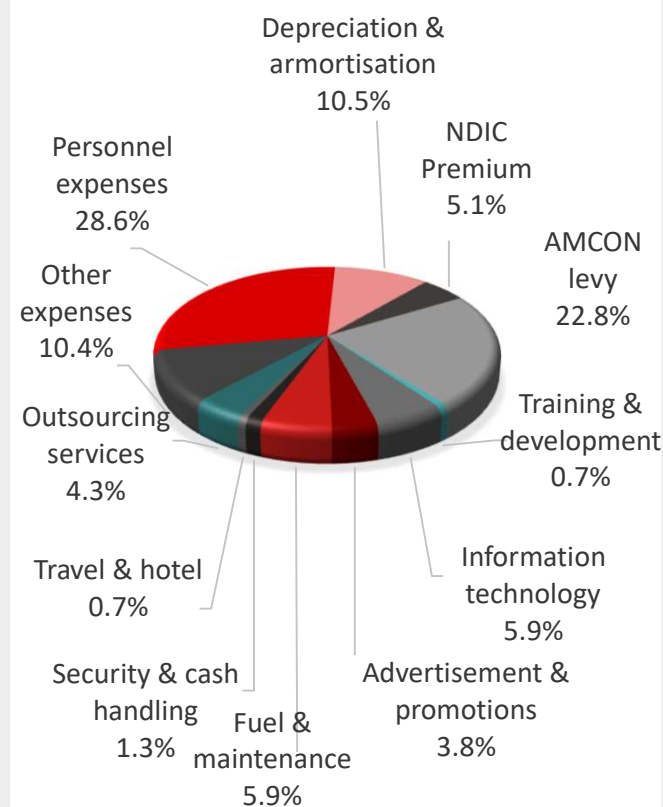
Total Operating Expenses

H1 2021



N'million	H1 2021	H1 2020	YoY
Personnel expenses	37,577	38,868	-3%
Depreciation & amortisation	14,695	14,249	3%
NDIC Premium	8,073	6,910	17%
AMCON levy	37,920	30,948	23%
Training & development	1,080	940	15%
Information technology	10,395	8,069	29%
Advertisement & promotions	4,362	5,160	-15%
Fuel & maintenance	8,458	8,031	5%
Security & cash handling	2,395	1,815	32%
Travel & hotel	1,089	950	15%
Outsourcing services	5,879	5,825	1%
Other expenses	17,927	14,083	27%
Total	149,850	135,848	10%

H1 2020



Balance Sheet – Assets

- Robust balance sheet - well positioned for growth opportunities as the economy continues to recover.

(N 'million)	Group Jun-21	Group Dec-20	YTD Change
Cash and balances with central banks	1,424,811	1,591,768	-10.49%
Treasury bills	1,714,411	1,577,875	8.65%
Assets pledged as collateral	394,175	298,530	32.04%
Due from other banks	656,501	810,494	-19.00%
Derivative assets	69,899	44,496	57.09%
Loans and advances	2,837,445	2,779,027	2.10%
Investment securities	1,036,102	996,916	3.93%
Deferred tax assets	5,124	5,786	-11.44%
Other assets	171,445	169,967	0.87%
Property and equipment	193,209	190,170	1.60%
Intangible assets	12,349	16,243	-23.97%
Total Assets	8,515,471	8,481,272	0.40%

Balance Sheet – Liabilities & Equity

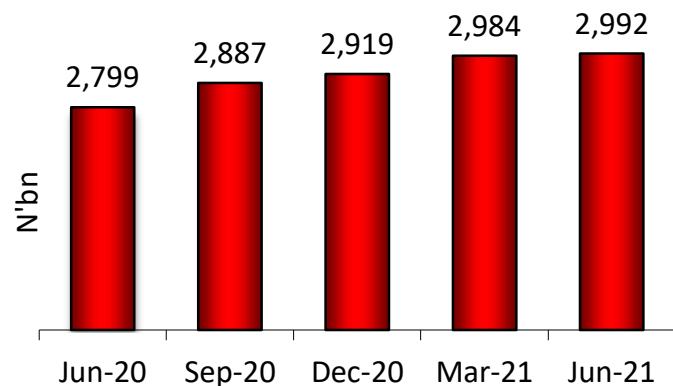
- Assets are largely funded by deposits with a strong capital base providing buffer for further growth.

(N'million)	Group Jun-21	Group Dec-20	YTD Change
Liabilities			
Customers deposits	5,770,434	5,339,911	8.06%
Derivative liabilities	9,309	11,076	-15.95%
Current income tax payable	12,750	11,690	9.07%
Other liabilities	480,876	703,292	-31.62%
On-lending facilities	390,081	384,573	1.43%
Borrowings	664,258	870,080	-23.66%
Debt securities issued	44,316	43,177	2.64%
Total liabilities	7,372,024	7,363,799	0.11%
Equities and reserves			
Share capital	15,698	15,698	0.00%
Share premium	255,047	255,047	0.00%
Retained earnings	519,995	521,293	-0.25%
Other reserves	351,627	324,461	8.37%
Non-controlling interest	1,080	974	10.88%
Total Shareholders' equity	1,143,447	1,117,473	2.32%

Sustained Assets & Liabilities Match

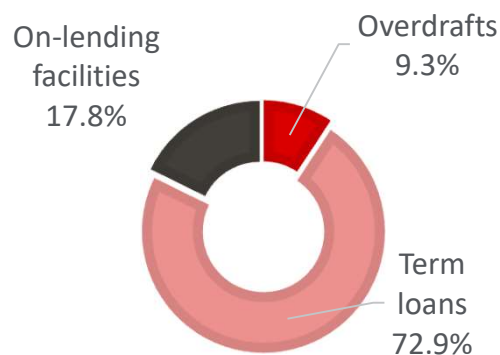
- The 8.1% growth in customers' deposits in H1 2021 is a reflection of the increasing confidence in the Zenith brand.

Gross Loans

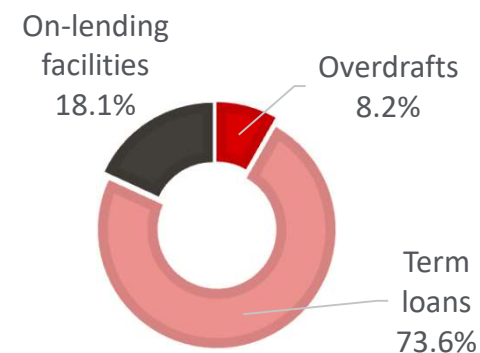


Loans & Advances

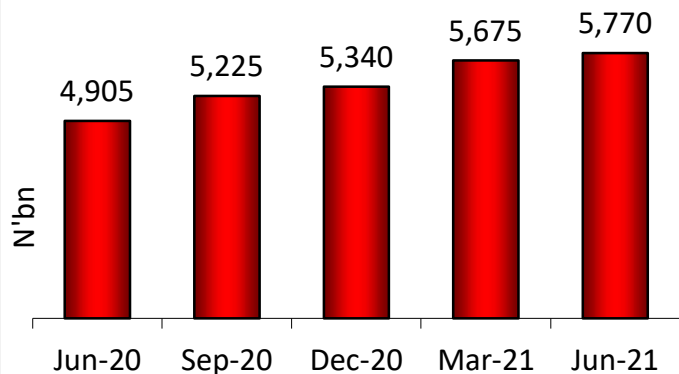
H1 2021



FYE 2020

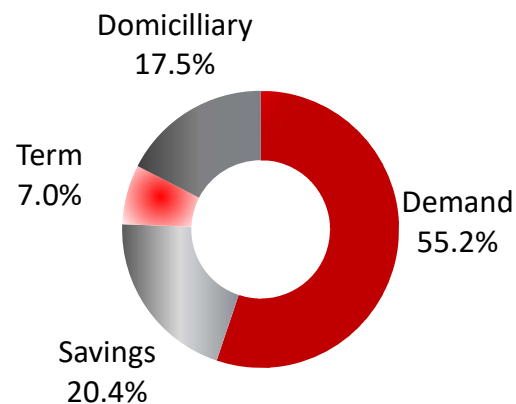


Deposits

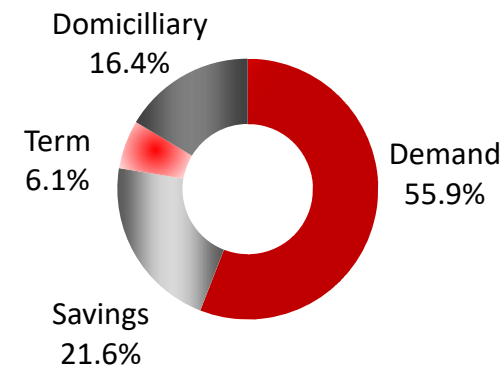


Deposit Mix

H1 2021

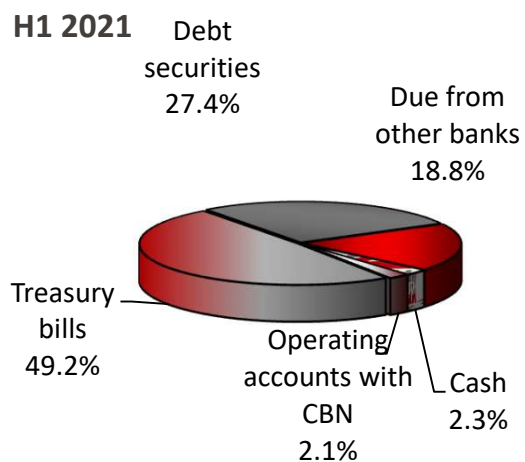


FYE 2020



Continued Market Dominance - Strong Liquid Asset Base & Funding Mix

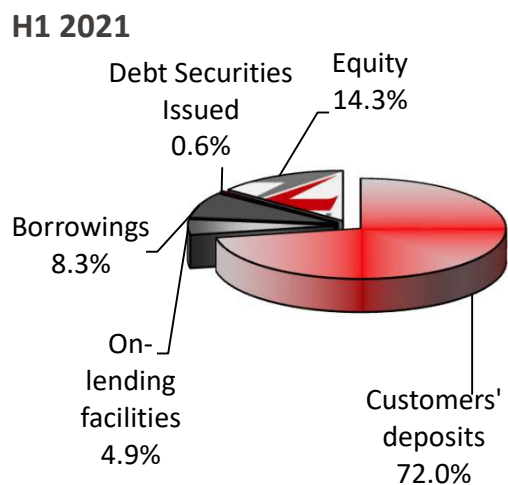
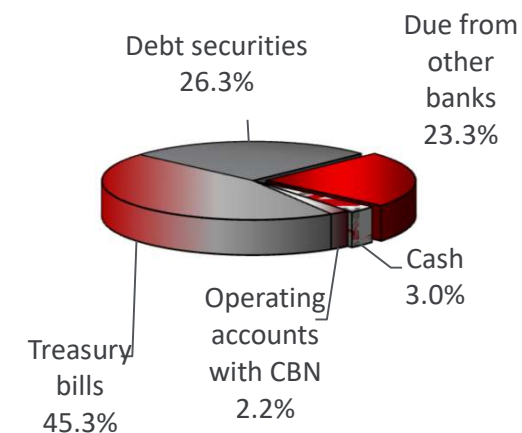
- High quality balance sheet with diversified funding sources.



Liquid Assets

N'million	H1 2021	FYE 2020	YTD
Cash	81,425	104,544	-22%
Operating accounts with CBN	74,859	75,802	-1%
Treasury bills	1,714,411	1,577,875	9%
Debt securities	955,725	916,941	4%
Due from other banks	656,501	810,494	-19%
Total	3,482,921	3,485,656	0%

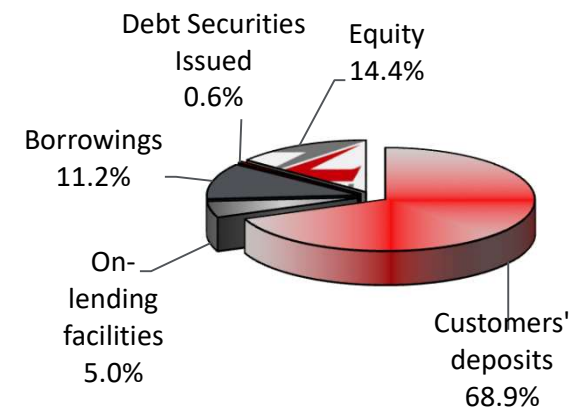
FYE 2020



Funding Mix

N'million	H1 2021	FYE 2020	YTD
Customers' deposits	5,770,434	5,339,911	8%
On-lending facilities	390,081	384,573	1%
Borrowings	664,258	870,080	-24%
Debt Securities Issued	44,316	43,177	3%
Equity	1,143,447	1,117,473	2%
Total	8,012,536	7,755,214	3%

FYE 2020

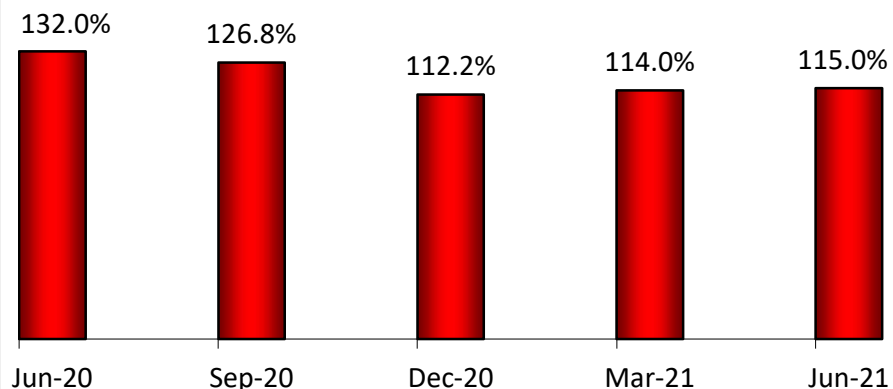


A photograph of an offshore oil rig at sea, with a large pipe in the foreground. The rig is a complex structure with multiple levels, cranes, and pipes. The scene is set against a hazy, golden sky with a bright sun on the left. The water is dark and reflects the rig. A large, dark pipe runs diagonally across the foreground from the right side towards the center. A red horizontal bar is overlaid on the left side of the image, containing the text "Risk Management".

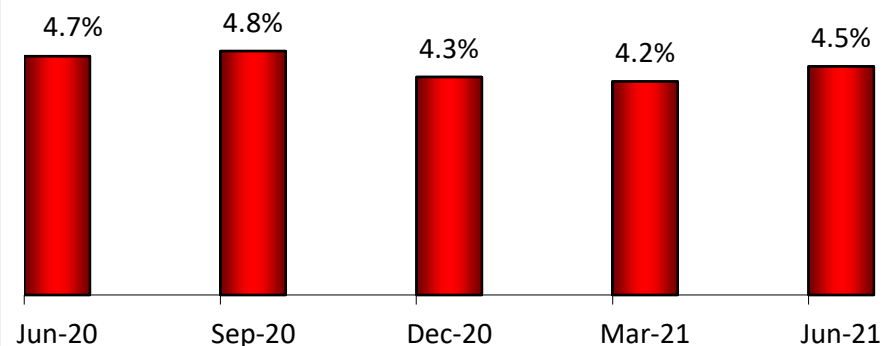
Risk Management

Healthy Risk Assets Portfolio

NPL Coverage Ratio



NPL Ratio



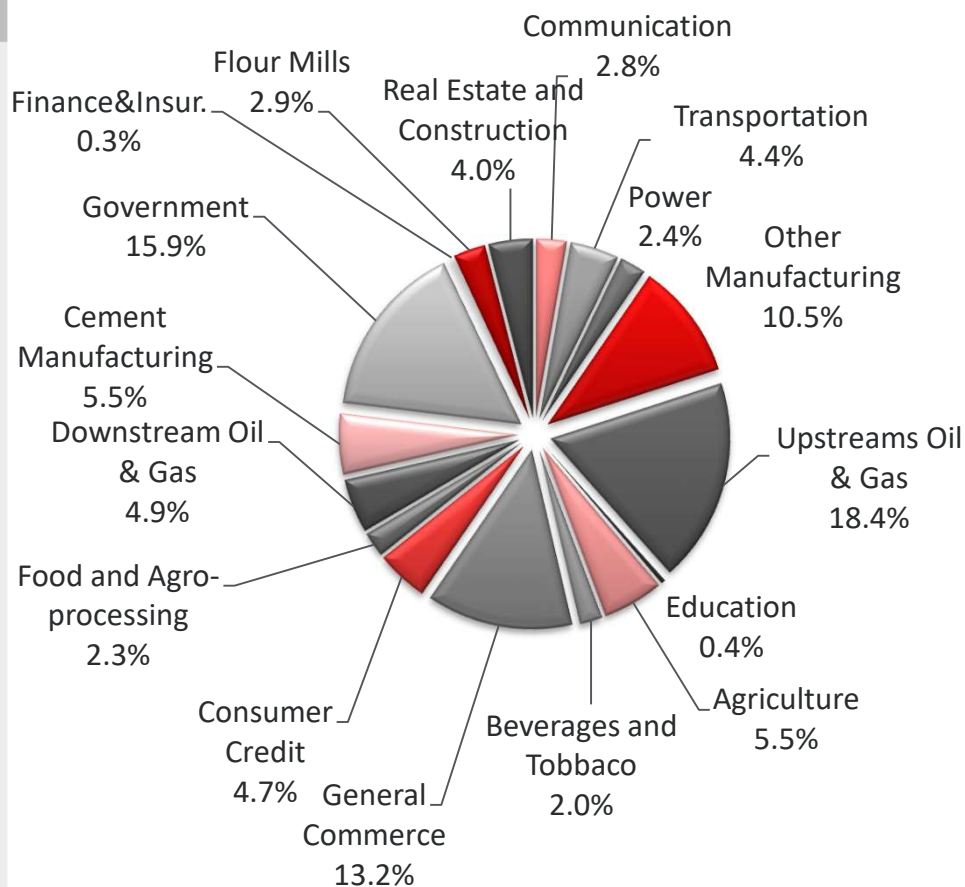
Credit Risk Management Amidst Covid-19

- Engaging our customers in key sectors of the economy to better understand their current challenges and provide effective and bespoke actions to alleviate their hardships while preserving shareholders' funds.
- Deployment of tools and models to recalibrate and measure the impact of Covid-19 on our loan books.
- Creating innovative mitigants to further protect us from downside risk on the loan books.
- Providing critical support to our loan customers to help them navigate through the challenges posed by the pandemic.
- Continuous adoption of a complete and integrated approach to risk management that is driven from the Board level to the operational activities of the bank.

Focused Risk Management via Portfolio Diversification

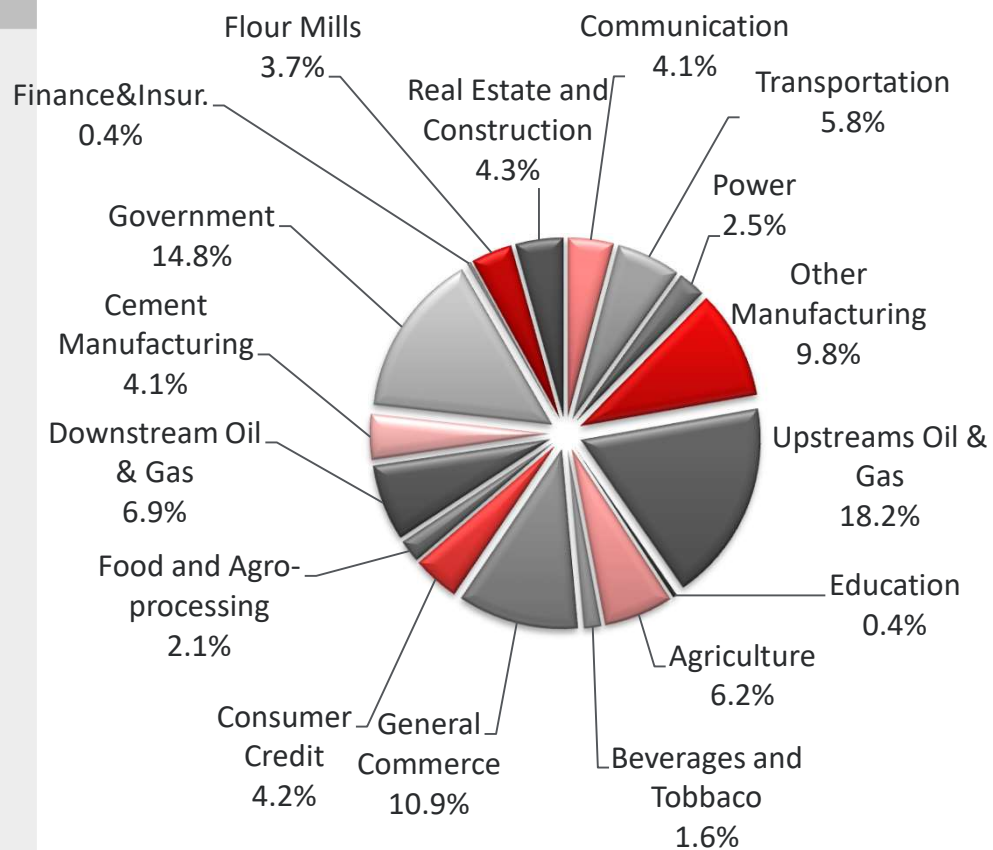
- Well diversified loan portfolio across sectors supports asset quality.

Loans by Sector – H1 2021



Gross Loans – ~~₹~~2.99 Trillion

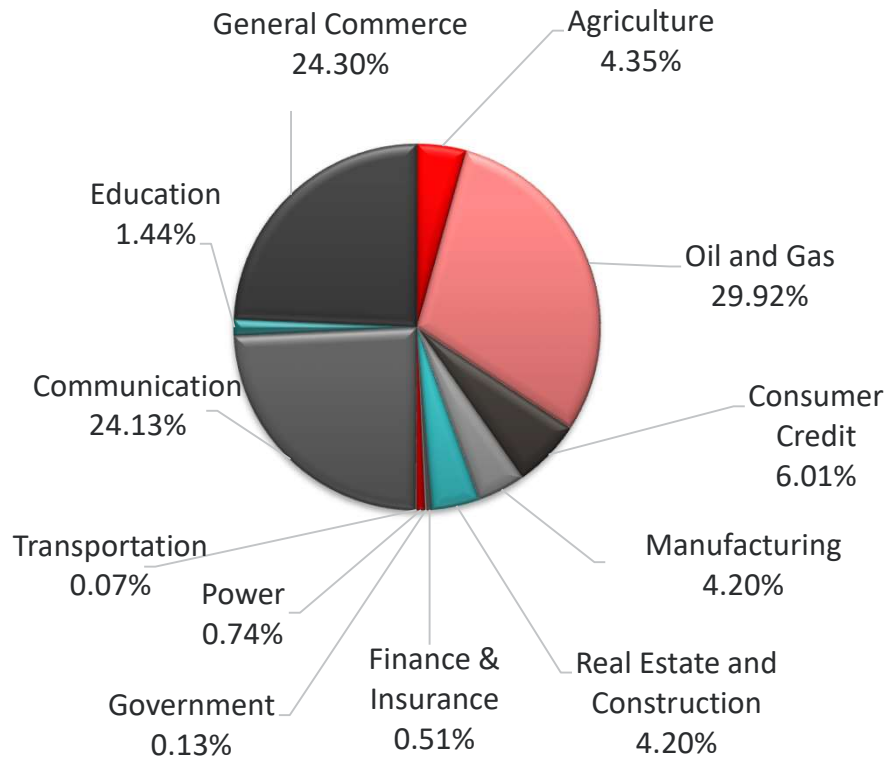
Loans by Sector – FYE 2020



Gross Loans – ~~₹~~2.92 Trillion

NPL by Sectors

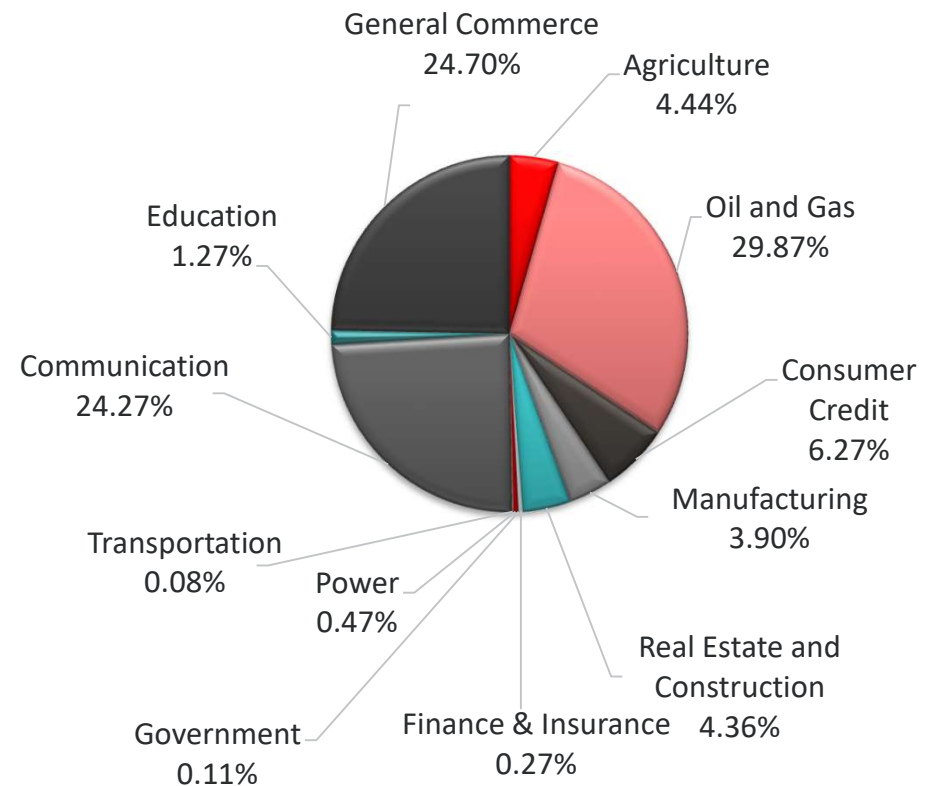
H1 2021



Total NPLs – ~~N~~134.8 Billion

NPL Ratio – 4.51%

FYE 2020



Total NPLs – ~~N~~125.2 Billion

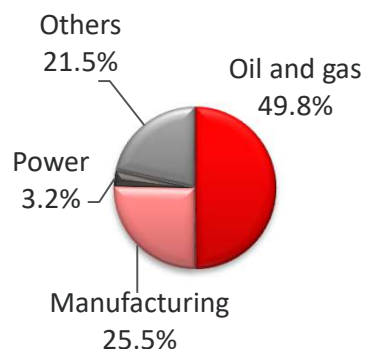
NPL Ratio – 4.29%

Foreign Currency Loans & Restructured Loans

Foreign Currency Loans

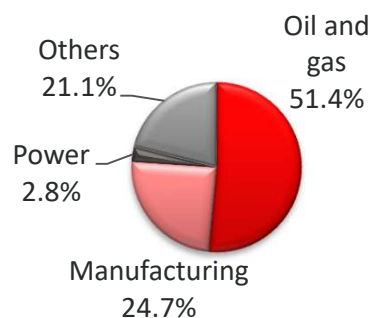
H1 2021

USD loans by sector	US\$' m	N'm	% to US\$ loans	% to Gross loans
Oil and gas	1,414	580,514	49.8%	19.4%
Manufctg	724	297,439	25.5%	9.9%
Power	90	36,953	3.2%	1.2%
Others	610	250,462	21.5%	8.4%
Total US\$ loans	2,838	1,165,368	100.0%	38.9%



FYE 2020

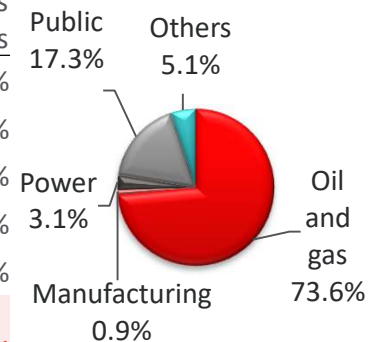
USD loans by sector	US\$' m	N'm	% to US\$ loans	% to Gross loans
Oil and gas	1,606	642,996	51.4%	22.0%
Manufctg	771	308,562	24.7%	10.6%
Power	88	35,291	2.8%	1.2%
Others	659	263,963	21.1%	9.0%
Total US\$ loans	3,124	1,250,812	100.0%	42.8%



Cumulative Restructured Loans

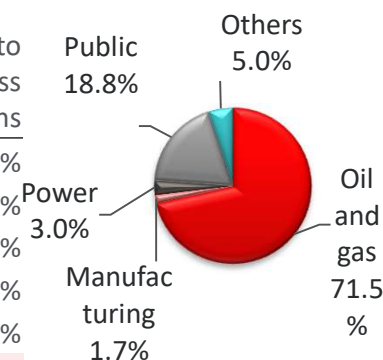
H1 2021

Restructured Loans by sector	N'm	% to Restructured loans	% to Gross loans
Oil and gas	519,282	73.6%	17.4%
Manufctg	6,608	0.9%	0.2%
Power	21,743	3.1%	0.7%
Public	122,125	17.3%	4.1%
Others	36,226	5.1%	1.2%
Total restructured loans	705,984	100.0%	23.6%



FYE 2020

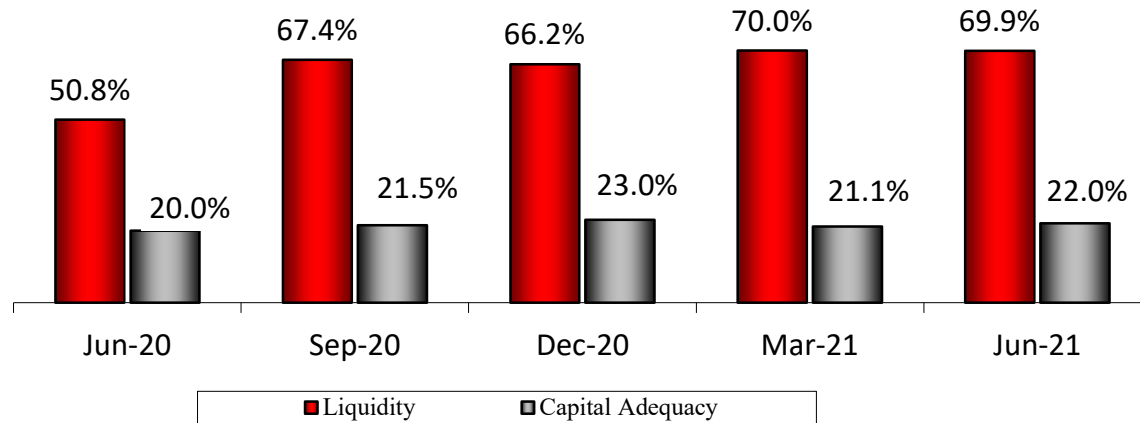
Restructured Loans by sector	N'm	% to Restructured loans	% to Gross loans
Oil and gas	465,403	71.5%	15.9%
Manufctg	10,847	1.7%	0.4%
Power	19,627	3.0%	0.7%
Public	122,595	18.8%	4.2%
Others	32,746	5.0%	1.1%
Total restructured loans	651,216	100.0%	22.3%



Strong Capitalisation

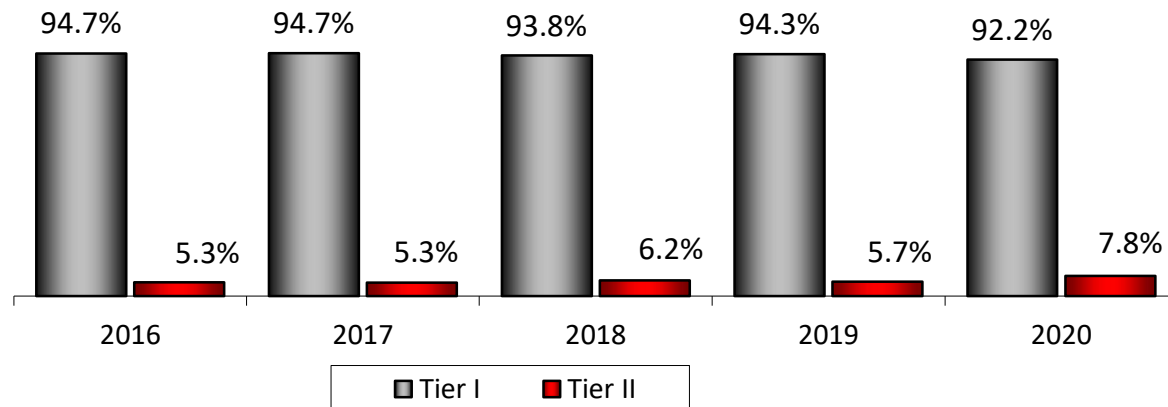
- Solid and high-quality capital position provides room for further growth.

Liquidity & Capital Adequacy

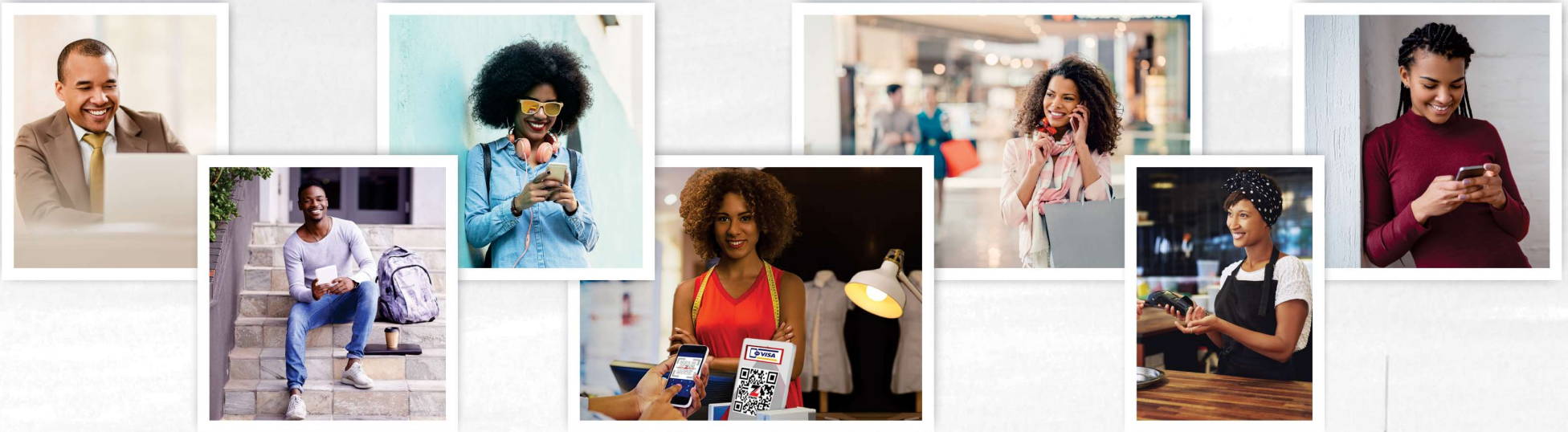


Capital and liquidity ratios – well above regulatory requirements of 30% for Liquidity and 15% for Capital Adequacy Ratio.

Capital Mix



Capital base – predominantly made up of Tier 1 (core capital) which consists of share capital and reserves.



Business Segments Performance & Subsidiary Review

Performance – By Business Segments

- Continuous diversification and improved profitability across core business segments.
- Contribution of retail segment to the group's gross revenue increased from 12.1% to 12.5% YoY while its PBT contribution increased from 17.1% to 18.1% YoY.

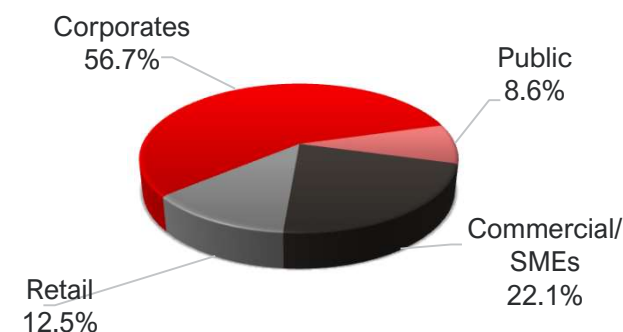
6 Months Ended June 2021

(₹'million)

	Corporates	Public	Commercial/ SMEs	Retail	Consolidated
Gross revenue	196,013	29,718	76,479	43,349	345,559
Total expenses	(134,815)	(20,451)	(51,054)	(22,180)	(228,500)
Profit before tax	61,198	9,267	25,424	21,169	117,059

Gross Revenue

H1 2021

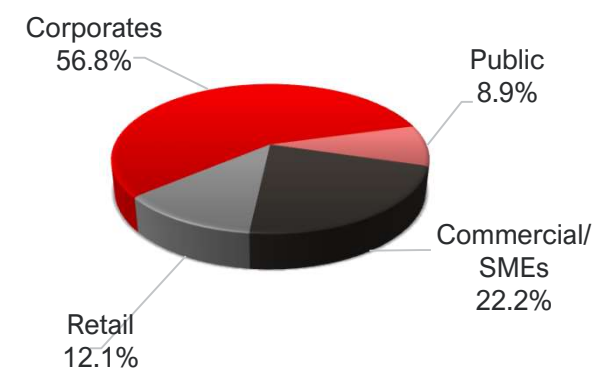


6 Months Ended June 2020

(₹'million)

	Corporates	Public	Commercial/ SMEs	Retail	Consolidated
Gross revenue	196,731	30,648	76,678	42,030	346,087
Total expenses	(135,678)	(20,196)	(53,573)	(22,516)	(231,964)
Profit before tax	61,052	10,451	23,105	19,514	114,124

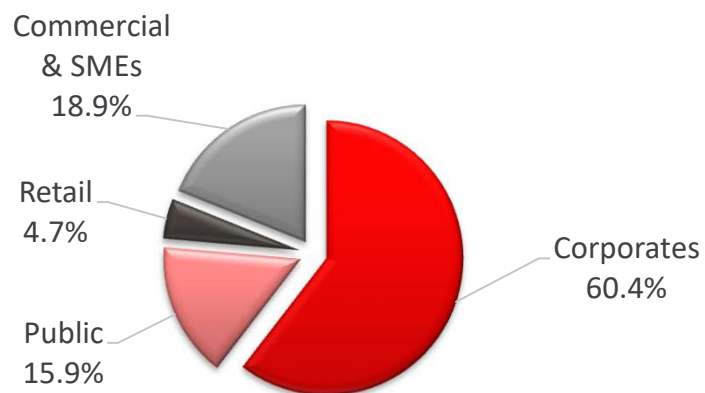
H1 2020



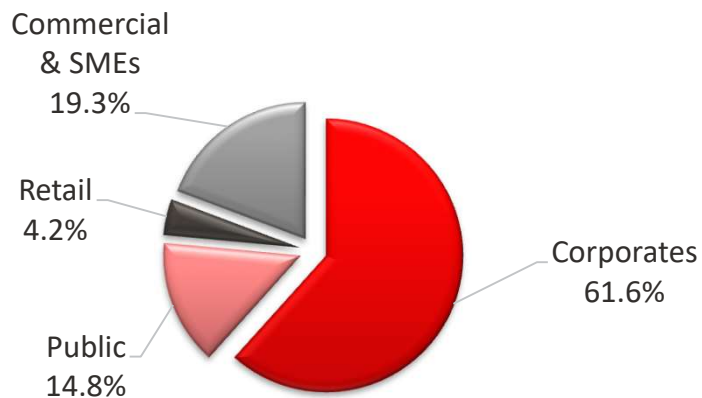
Loans & Deposits – By Business Segments

Gross Loans

H1 2021 Gross Loans – ₦2.99 Trillion

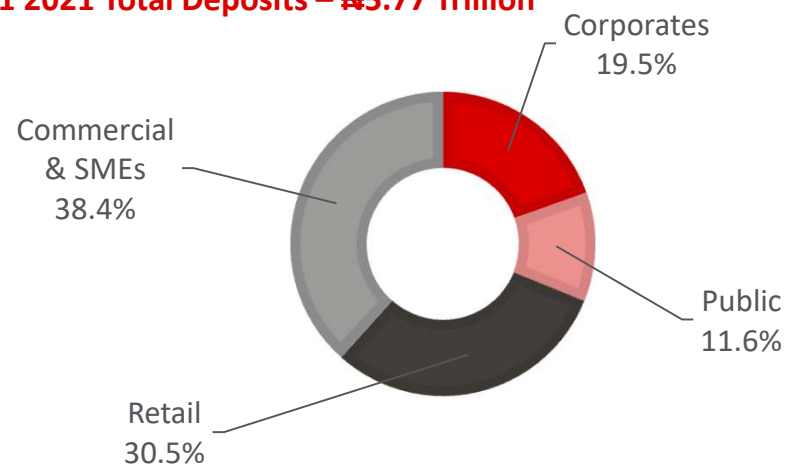


FYE 2020 Gross Loans – ₦2.92 Trillion

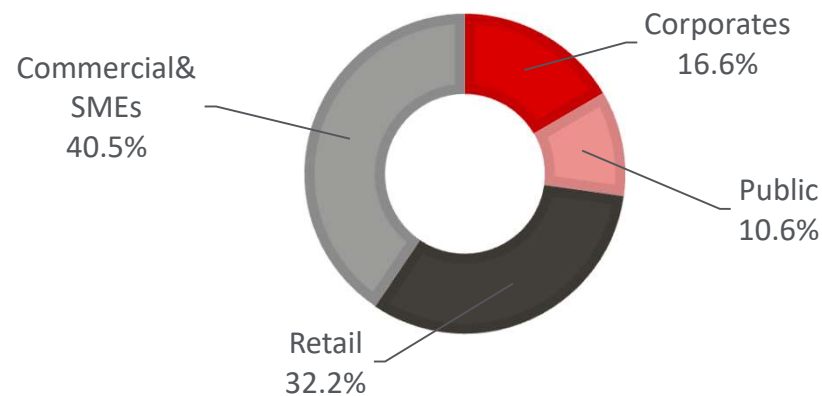


Total Deposit

H1 2021 Total Deposits – ₦5.77 Trillion



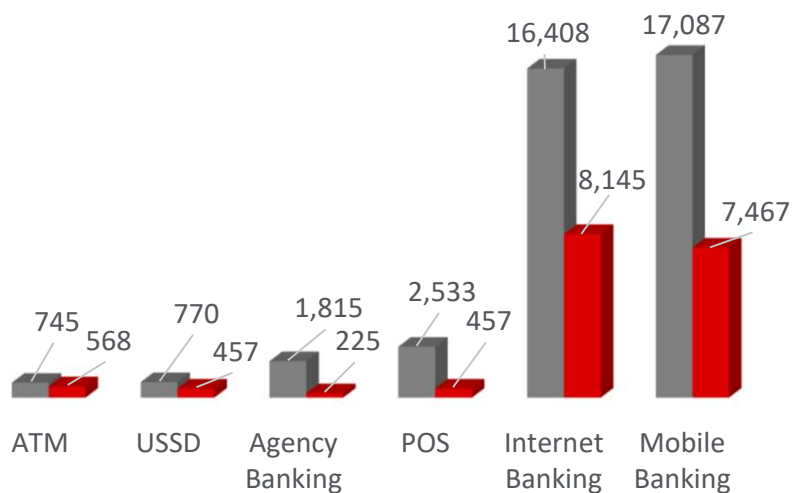
FYE 2020 Total Deposits – ₦5.34 Trillion



Electronic Banking Products Performance by Channels.

Value of Electronic Product Transactions

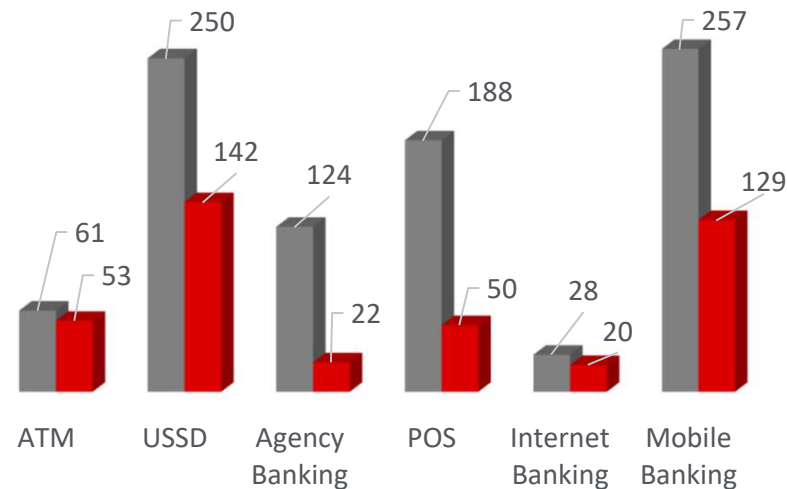
	H1 2021	H1 2020	YoY
Total Transaction Value (N'bn)	39,358	17,319	127%



■ Value (N'bn) - Jan. 2021 to Jun. 2021
 ■ Value (N'bn) - Jan. 2020 to Jun. 2020

Number of Electronic Product Transactions

	H1 2021	H1 2020	YoY
Total Number of Transactions (million)	907	416	118%



■ Number (million) - Jan. 2021 to Jun. 2021
 ■ Number (million) - Jan. 2020 to Jun. 2020

- The bank recorded a remarkable growth in both value and volume of electronic product transactions, resulting in a 91% growth in income on electronic products.

Geographical Presence

The Bank and its Subsidiaries

Zenith Bank Plc. (Parent)

Established: 1990
Branches: 393
2021 H1 PBT: ₦111.6Bn
Total deposits: ₦4,545Bn
Total assets: ₦7,041Bn
ROE: 23%
Staff strength: 6,615

Zenith Pension

Established: 2005
Branches: 2
Zenith ownership: 99%
2021 H1 PBT: ₦4.6Bn
Custody assets: ₦5,173Bn
Total assets: ₦24Bn
ROE: 30%
Staff strength: 108

Zenith Nominee

Established: 2018
Branches: 1
Zenith ownership: 99%
2021 H1 PBT: ₦82M
Custody assets: ₦433Bn
Total assets: ₦2Bn
ROE: 7%
Staff strength: 7

Gambia

Established: 2009
Zenith ownership: 99.96%
Branches: 7
2021 H1 PBT: ₦571M
Total deposits: ₦18Bn
Total assets: ₦25Bn
ROE: 15%
Staff strength: 134

Ghana

Established: 2005
Zenith ownership: 99.42%
Branches: 29
2021 H1 PBT: ₦15.0Bn
Total deposits: ₦397Bn
Total assets: ₦563Bn
ROE: 20%
Staff strength: 699

Sierra Leone

Established: 2008
Zenith ownership: 99.99%
Branches: 7
2021 H1 PBT: ₦1.1Bn
Total deposits: ₦26Bn
Total assets: ₦33Bn
ROE: 28%
Staff strength: 157

United Kingdom

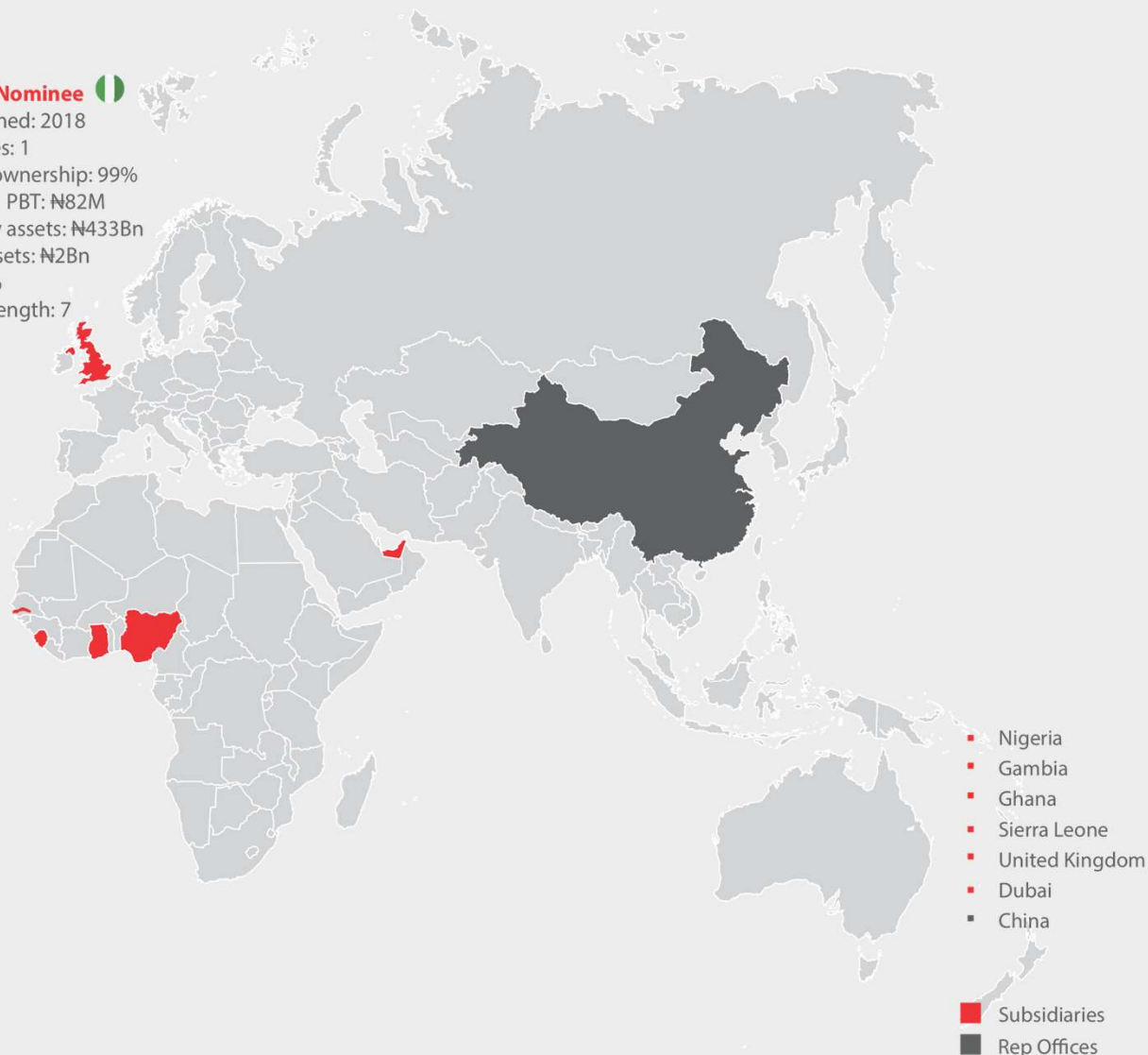
Established 2007
Zenith ownership: 100%
Branches: 1
2021 H1 PBT: ₦1.8Bn
Total deposits: ₦915Bn
Total assets: ₦1,029Bn
ROE: 3%
Staff strength: 126

UAE

Branch of Zenith UK
Established 2016
1 branch

China

Representative Office
Established 2011



Performance by Geography

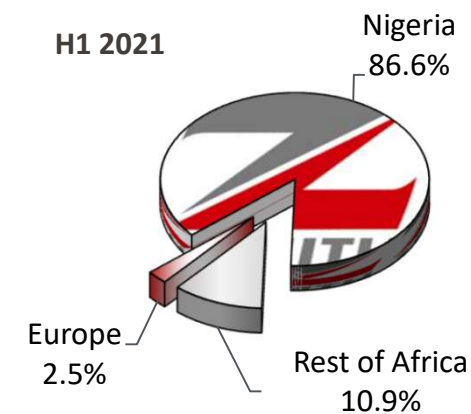
6 Months Ended June 2021

(₦'million)

	Nigeria	Rest of Africa	Europe	Eliminations	Consolidated
Total revenue	313,644	39,418	9,077	(16,580)	345,559
Total expense	(197,369)	(22,733)	(7,279)	(1,119)	(228,500)
Profit before tax	116,275	16,685	1,798	(17,699)	117,059
Tax	(5,367)	(5,320)	(253)	-	(10,940)
Profit after tax	110,908	11,365	1,545	(17,699)	106,119

Total Revenue

H1 2021

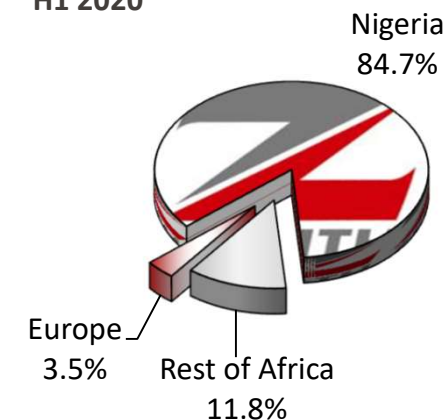


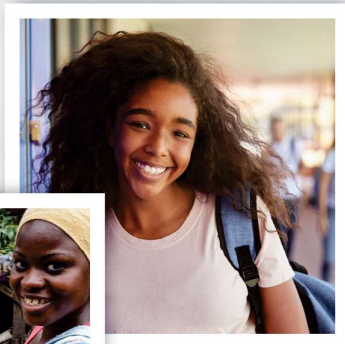
6 Months Ended June 2020

(₦'million)

	Nigeria	Rest of Africa	Europe	Eliminations	Consolidated
Total Revenue	296,983	41,328	12,282	(4,505)	346,088
Total expense	(199,021)	(25,072)	(8,376)	505	(231,964)
Profit before tax	97,962	16,256	3,906	(4,000)	114,124
Tax	(4,320)	(5,261)	(717)	-	(10,298)
Profit after tax	93,642	10,995	3,189	(4,000)	103,826

H1 2020





Strategy & Outlook

Strategies for Driving our Vision

1

Compete aggressively for market share while focusing on high quality assets and adopting cost reduction strategies

- Attracting cost effective deposits from the retail end of the market for deployment in the corporate segment with emphasis on emerging sectors.

2

Deliver superior service experience to all our clients and customers

- Adopting efficient digital channels.
- Attracting talented people and investing in training.
- Employing cutting edge technology.
- Enhancing the experience customer with excellent service.

3

Effective Risk Management

- Entrenching robust risk management and corporate governance practices.
- Value preservation is absolutely important.

4

Treasury Management

- Taking advantage of our liquidity in Naira and foreign currencies to optimize yields in the FX and money markets

5

Develop specific solutions for each segment of our customers base

- Leveraging our capabilities and brand strength to consistently meet our clients' needs.
- Developing a robust platform to serve as an integrated financial solutions provider to our diverse customers.

6

Retail and Digital Footprint

- Official launch of the Zenith Bank Intelligent Virtual Assistant (ZIVA)
- Deepening retail market penetration using our digital platforms
- Increasing the volume of transactions processed on our digital platforms.

Our Key Growth Target Sectors

Driving Profitability with our Competitive Advantages

Identified Growth Sectors

- Retail/SMEs
- Agriculture
- Healthcare/Pharmaceuticals
- Infrastructure
- Manufacturing
- Petrochemicals
- Real Estate and Construction
- Service Industry
- Telecoms
- Transportation and General Commerce

Competitive Advantage

- Strong capital and liquidity
- Strong brand
- Robust risk management framework
- Extensive branch network
- Robust ICT and digital channels
- Well motivated staff force
- Excellent customer services

Guidance for FYE 2021

	H1 2021 Achieved	FYE 2021 Guidance	FYE 2020 Achieved
PBT	₦117.1Bn	₦270Bn	₦255.9Bn
Effective Tax Rate	9.3%	13.0%	9.9%
PAT	₦106.1Bn	₦235Bn	₦230.6Bn
ROAE	18.8%	23.0%	22.4%
ROAA	2.5%	3.2%	3.1%
NIM	6.5%	8.0%	7.9%
Cost of Funds	1.3%	2.0%	2.1%
Cost of Risk	1.3%	2.0%	1.5%
Cost to Income	56.1%	48.0%	50.0%
Deposit Growth	8.1%	10.0%	25.3%
Loan Growth	2.5%	10.0%	18.6%
Loan to Deposit (Group)	51.9%	60.0%	54.7%
Loan to Deposit (Bank)	61.6%	65.0%	64.5%
Capital Adequacy	22.0%	20.0%	23.0%
Liquidity Ratio	69.9%	60.0%	66.2%
NPL	4.5%	4.5%	4.3%
NPL Coverage	115.0%	130.0%	112.1%

Thank You

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