



Group Unaudited Results for period ended 30 September 2021

ZENITH BANK PLC RELEASES UNAUDITED Q3 2021 RESULTS

LAGOS, NIGERIA - 29 October, 2021 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its unaudited results for the period ended 30 September 2021.

Financial Highlights

Income statement			
<i>In millions of Naira</i>	30-Sep-21	30-Sep-20	% Change
Gross earnings	518,673	508,975	2%
Interest and similar income	308,844	318,820	-3%
Interest and similar expense	(74,098)	(93,641)	-21%
Net interest income	234,746	225,179	4%
Non-interest income	192,769	173,488	11%
Operating expenses	(218,907)	(196,276)	12%
Profit before tax	179,810	177,283	1%
Profit after tax	160,594	159,315	1%
Earnings per share (N)	5.11	5.07	1%
Balance sheet			
<i>In millions of Naira</i>	30-Sep-21	31-Dec-20	% Change
Gross loans	3,181,256	2,919,342	9%
Customer deposits	6,040,887	5,339,911	13%
Total assets	8,751,587	8,481,272	3%
Shareholders' fund	1,187,054	1,117,473	6%
Key ratios			
	30-Sep-21	30-Sep-20	% Change
Return on average equity (ROAE)	18.6%	21.5%	-14%
Return on average assets (ROAA)	2.5%	3.0%	-16%
Net interest margin (NIM)	6.8%	8.3%	-18%
Cost of funds	1.4%	2.2%	-35%
Cost of risk	1.3%	1.3%	1%
Cost to income	54.9%	52.5%	4%
	30-Sep-21	31-Dec-20	% Change
Liquidity ratio - Group	52.9%	66.2%	-20%
Liquidity ratio - Bank	50.9%	62.5%	-19%
Loan to deposit ratio - Group	52.7%	54.7%	-4%
Loan to deposit ratio - Bank	60.2%	64.5%	-7%
Capital adequacy ratio (CAR)	20.1%	23.0%	-13%
Non-performing loan	4.50%	4.29%	5%
Coverage ratio	112.4%	112.1%	0%

The Zenith Bank Group delivered a Profit before Tax (PBT) of NGN180 billion for the nine months period ended September 30, 2021, reflecting a 1% growth over NGN177 billion in the prior year amidst a challenging macro environment. Despite continuing economic uncertainties, the Group was able to grow its net earnings through a reduction in its cost of funds, while keeping cost of risk flat. This strengthened EPS by 1% to NGN5.11.

Gross earnings increased by 2% largely due to growth in current account maintenance fees as well as fees from electronic products during the period. Interest income dropped by 3% to NGN309 billion from NGN319 billion due to a decline in yield on assets, reflecting current money market realities. The decline in interest income was largely caused by a drop in earnings from treasury bills of 22%. This was mitigated by growth in interest income from loans and advances of 9% on the back of an increase in gross loans of 9% year to date. The Group also reduced the impact of the drop in interest income by enhancing its efficiency which saw interest expense drop by 21% to NGN74 billion from NGN94 billion. The result of this is growth in net interest income of 4%, from NGN225 billion recorded at the end of Q3 2020 to NGN235 billion in the current period.

The Group has had a focused drive to increase retail deposits for the past three years, which has supported the decrease in cost of funds by 35% to 1.4% from 2.2% year on year. The Group continues to make significant progress in its retail banking drive evidenced by remarkable growth in transaction volumes and value across our digital platforms and strong growth in customer acquisitions. Total deposits grew by 13% to close at NGN6.0 trillion from NGN5.3 trillion at 31 December 2020, with a substantial contribution from retail deposits. Total assets also increased by 3% to NGN8.8 trillion in the current period.

As we go into the final quarter of the year, management's outlook remains positive buoyed by a declining inflationary trend, expected increase in foreign exchange inflows, and improving oil production. The Group remains focused on increasing its retail market share, consolidating its leadership position in the corporate segment and maintaining a robust balance sheet.

- ENDS -

Notes to editors:

About Zenith Bank Plc

Zenith Bank Plc offers its clients a wide range of corporate, investment, business and personal banking products and solutions. It is one of the biggest and most profitable banks in Nigeria. The bank was established in May 1990 and started operations in July same year as a commercial bank. It became a public limited company on 17 September, 2004 and was listed on the Nigerian Stock Exchange on 21 October, 2004 following a highly successful Initial Public Offering (IPO). Zenith Bank listed on the London Stock Exchange via a non-capital raising GDR on 21 March, 2013. The bank presently has a shareholder base of over half a million, an indication of the strength of the Zenith brand.

It is headquartered in Lagos, Nigeria. With over five hundred (500) branches and business offices nationwide Zenith Bank has presence in all the state capitals, the Federal Capital Territory (FCT) and major towns and metropolitan centres in Nigeria. The bank's expansion is not limited to Nigeria as Zenith became the first Nigerian bank in 25 years to be licensed by the Financial Services Authority (FSA) in the UK for the commencement of banking operations by Zenith Bank (UK) Limited in April, 2007. This is in addition to its presence in Ghana, Zenith Bank (Ghana) Limited, Sierra Leone, Zenith Bank (Sierra Leone) Limited, Gambia, Zenith Bank (Gambia) Limited and a representative office in Beijing, China and Dubai branch of Zenith Bank UK.

More information can be found at www.zenithbank.com