





# ZENITH BANK PLC

RC: 150224



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## CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2023

### THE BOARD

**Chairman:** Jim Ovia, CFR | **Group Managing Director/CEO:** Ebenezer Onyeagwu | **Deputy Managing Director:** Adaora Umeoji, OON  
**Executive Directors:** Temitope Fasoranti | Henry Oroh | Adobi Nwapa | Akindele Ogunranti  
**Non-Executives:** Mr. Gabriel Ukpeh | Engr. Mustafa Bello | Dr. Al-Mujtaba Abubakar, MON | Omobola Ibidapo-Obe Ogunfowora (Ph.D)  
Peter Olatunde Bamkole (Ph.D) | Mr. Chuks Emma Okoh

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**Certification pursuant to section 60(2) of Investment and Securities Act No.29 of 2007**

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We the undersigned hereby certify the following with regards to our financial report for the period ended 30 September 2023 that:

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain:
  - i. Any untrue statement of a material fact, or
  - ii. Omission of material fact, which would make the statements misleading in the light of the circumstances under which such statements were made;
- c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the bank as of, and the periods presented in the report.
- d) We:
  - i. Are responsible for establishing and maintaining internal controls;
  - ii. Have designed such internal controls to ensure that material information relating to the bank and its consolidated subsidiaries is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
  - iii. Have evaluated the effectiveness of the bank's internal controls as of date within 90 days prior to the reports;
  - iv. Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- e) We have disclosed to the auditors of the bank and audit committee:
  - i. All significant deficiencies in the design or operation of internal controls which would adversely affect the bank's ability to record, process, summarize and report financial data and have identified for the bank's auditors any material weakness in internal controls, and
  - ii. Any fraud, whether or not material, that involve management or other employees who have significant role in the bank's internal controls;
- f) We have identified in the report whether or not there were significant changes in the internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regards to significant deficiencies and material weaknesses .



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**Jim Ovia, CFR.**  
Chairman  
FRC/2013/CIBN/000000002406



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**Dr. Ebenezer Onyeagwu**  
Group Managing Director/CEO  
FRC/2013/ICAN/00000003788

# ZENITH BANK PLC

Consolidated and Separate Interim Financial Statements for the period ended 30 September 2023

## Statements of profit or loss and other comprehensive income for the period ended 30 September 2023

In millions of Naira	Note	Group				Bank			
		3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022
<b>Gross earnings</b>		<b>361,813</b>	<b>1,329,075</b>	<b>620,574</b>	<b>945,554</b>	<b>289,363</b>	<b>1,185,973</b>	<b>554,596</b>	<b>833,087</b>
Interest and similar income	13	255,507	670,932	390,755	540,166	194,006	545,050	333,391	448,174
Interest and similar expense	14	(102,140)	(255,704)	(107,848)	(173,539)	(80,799)	(220,767)	(93,461)	(153,019)
<b>Net interest income</b>		<b>153,367</b>	<b>415,228</b>	<b>282,907</b>	<b>366,627</b>	<b>113,207</b>	<b>324,283</b>	<b>239,930</b>	<b>295,155</b>
Impairment charge	15	(2,074)	(209,999)	(37,096)	(123,252)	(1,175)	(208,071)	(35,801)	(61,896)
<b>Net interest income after impairment charge</b>		<b>151,293</b>	<b>205,229</b>	<b>245,811</b>	<b>243,375</b>	<b>112,032</b>	<b>116,212</b>	<b>204,129</b>	<b>233,259</b>
Net fee and commission income	16	35,415	79,339	100,057	132,795	27,745	58,650	81,410	110,098
Trading income	18	24,350	127,375	91,441	212,678	19,488	113,889	87,277	201,645
Other income	17	31,696	400,441	20,474	35,494	33,878	418,561	35,404	49,790
Depreciation of property and equipment	32	(5,896)	(19,247)	(19,886)	(26,630)	(4,781)	(17,070)	(18,092)	(24,519)
Amortisation of intangible assets	33	(534)	(2,199)	(2,218)	(3,678)	(553)	(1,886)	(1,907)	(3,045)
Personnel expenses		(32,175)	(88,425)	(61,464)	(86,412)	(23,877)	(68,951)	(48,054)	(68,475)
Other operating expenses	19	(49,474)	(197,477)	(171,666)	(222,972)	(43,329)	(180,123)	(159,112)	(204,703)
<b>Profit before tax</b>		<b>154,675</b>	<b>505,036</b>	<b>202,549</b>	<b>284,650</b>	<b>120,603</b>	<b>439,282</b>	<b>181,055</b>	<b>294,050</b>
Income tax expense	20a	(12,235)	(70,864)	(28,218)	(60,739)	(6,448)	(50,564)	(18,406)	(59,457)
<b>Profit after tax</b>		<b>142,440</b>	<b>434,172</b>	<b>174,331</b>	<b>223,911</b>	<b>114,155</b>	<b>388,718</b>	<b>162,649</b>	<b>234,593</b>
<b>Other comprehensive income:</b>									
<b>Items that will never be reclassified to profit or loss</b>									
Fair value movements on equity instruments at FVOCI		4,130	73,880	8,274	8,109	4,130	73,880	8,274	8,109
<b>Items that are or may be reclassified to profit or loss:</b>									
Foreign currency translation differences		5,305	136,577	(44,729)	(28,768)	-	-	-	-
Fair value movement on debt securities at FVOCI		1,768	3,107	(11,502)	(6,602)	-	-	-	-
<b>Other comprehensive income/(loss) for the period/year</b>		<b>11,203</b>	<b>213,564</b>	<b>(47,957)</b>	<b>(27,261)</b>	<b>4,130</b>	<b>73,880</b>	<b>8,274</b>	<b>8,109</b>
<b>Total comprehensive income for the period/year</b>		<b>153,643</b>	<b>647,736</b>	<b>126,374</b>	<b>196,650</b>	<b>118,285</b>	<b>462,598</b>	<b>170,923</b>	<b>242,702</b>

## Statements of profit or loss and other comprehensive income for the period ended 30 September 2023

	Notes	Group				Bank			
		3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022
<b>Profit attributable to:</b>									
Equity holders of the parent		103,337	433,943	174,229	224,050	114,155	388,718	162,649	234,593
Non-controlling interest		104	229	102	(139)	-	-	-	-
<b>Total comprehensive income attributable to:</b>									
Equity holders of the parent		111,742	647,336	126,521	196,981	118,285	462,598	170,923	242,702
Non-controlling interest		102	400	(147)	(331)	-	-	-	-
<b>Earnings per share</b>									
Basic and diluted (Naira)	21	3.29	13.82	5.55	7.14	3.64	12.38	5.18	7.47

# ZENITH BANK PLC

Consolidated and Separate Interim Financial Statements for the period ended 30 September 2023


## Statement of financial position as at 30 September 2023

In millions of Naira	Note(s)	Group			Bank		
		30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>Assets</b>							
Cash and bank balances with central banks	22	3,141,577	1,871,726	2,201,744	2,958,306	1,805,386	2,102,394
Treasury bills	23	2,844,354	1,952,956	2,246,538	2,677,357	1,898,748	2,206,668
Assets Pledged as Collateral	24	348,013	387,669	254,663	296,506	387,658	254,565
Due From Other Banks	25	2,528,019	1,036,495	1,302,811	2,380,474	938,187	1,132,796
Derivative assets	26	483,739	47,446	49,874	481,048	49,171	48,851
Loans and advances	27	5,780,922	3,880,021	4,013,705	5,222,344	3,651,634	3,735,676
Investment securities	28	2,294,133	1,620,975	1,728,334	862,305	592,628	622,781
Investments in subsidiaries	29	-	-	-	34,625	34,625	34,625
Deferred tax asset	30	26,544	1,575	18,343	-	-	-
Other assets	31	431,492	294,956	213,523	399,434	287,827	193,792
Property and equipment	32	250,692	222,181	230,843	223,192	207,425	214,572
Intangible assets	33	31,329	25,979	25,251	29,723	24,594	23,958
<b>Total Assets</b>		<b>18,160,814</b>	<b>11,341,979</b>	<b>12,285,629</b>	<b>15,565,314</b>	<b>9,877,883</b>	<b>10,570,678</b>
<b>Equity and Liabilities</b>							
<b>Liabilities</b>							
Customer's deposits	34	13,383,577	8,042,101	8,975,653	11,191,249	6,755,183	7,434,806
Derivative liabilities	38	77,571	7,989	6,325	75,048	9,525	6,040
Current income tax	20	26,640	28,219	64,856	19,142	24,700	61,655
Deferred tax liabilities	30	51,935	12,470	16,654	50,853	12,470	15,911
Other liabilities	35	551,509	568,077	568,559	528,375	554,168	546,347
On Lending Facilities	36	285,405	320,336	311,192	285,405	320,336	311,192
Borrowings	37	1,864,242	1,054,140	963,450	1,864,242	1,078,131	999,580
<b>Total liabilities</b>		<b>16,240,879</b>	<b>10,033,332</b>	<b>10,906,689</b>	<b>14,014,314</b>	<b>8,754,513</b>	<b>9,375,531</b>

## Statement of financial position as at 30 September 2023

In millions of Naira	Notes	Group			Bank		
		30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>Capital and reserves</b>							
Share capital	39	15,698	15,698	15,698	15,698	15,698	15,698
Share premium	40	255,047	255,047	255,047	255,047	255,047	255,047
Retained income		893,900	638,218	625,005	718,094	485,567	494,429
Reserves		754,077	398,687	482,377	562,161	367,058	429,973
		1,918,722	1,307,650	1,378,127	1,551,000	1,123,370	1,195,147
Non-controlling interest		1,213	997	813	-	-	-
<b>Total shareholders' equity</b>		<b>1,919,935</b>	<b>1,308,647</b>	<b>1,378,940</b>	<b>1,551,000</b>	<b>1,123,370</b>	<b>1,195,147</b>
<b>Total Equity and Liabilities</b>		<b>18,160,814</b>	<b>11,341,979</b>	<b>12,285,629</b>	<b>15,565,314</b>	<b>9,877,883</b>	<b>10,570,678</b>

The unaudited financial statements were approved by the board of directors for issue on 25th October 2023 and signed on its behalf by:



Jim Ovia, CFR.  
Chairman  
FRC/2013/CIBN/00000002406



Dr. Ebenezer Onyeagwu  
Group Managing Director/CEO  
FRC/2013/ICAN/00000003788



Mukhtar Adam, PhD  
Chief Financial Officer  
FRC/2013/MULTI/00000003196

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

## Statements of changes in equity for the period ended 30 September 2023

	Note(s)	Share capital	Share premium	Foreign currency translation reserve	Fair value reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings	Total	Non-controlling interest	Total equity
In millions of Naira												
<b>Group</b>												
<b>Balance at 1 January 2022</b>		15,698	255,047	53,529	45,473	275,993	3,729	21,846	607,203	1,278,518	1,144	1,279,662
Profit for the period		-	-	-	-	-	-	-	174,229	174,229	102	174,331
Foreign currency translation differences		-	-	(44,480)	-	-	-	-	-	(44,480)	(249)	(44,729)
Fair value movements on equity instruments		-	-	-	8,274	-	-	-	-	8,274	-	8,274
Fair value movements on debt securities		-	-	-	(11,502)	-	-	-	-	(11,502)	-	(11,502)
<b>Total comprehensive income for the period</b>		-	-	<b>(44,480)</b>	<b>(3,228)</b>	-	-	-	<b>174,229</b>	<b>126,521</b>	<b>(147)</b>	<b>126,374</b>
Transfer between reserves		-	-	-	-	26,790	-	19,035	(45,825)	-	-	-
Dividends	40	-	-	-	-	-	-	-	(97,389)	(97,389)	-	(97,389)
<b>Balance at 30 September 2022</b>		15,698	255,047	9,049	42,245	302,783	3,729	40,881	638,218	1,307,650	997	1,308,647
<b>Balance at 1 January 2023</b>		15,698	255,047	24,953	46,980	311,411	3,729	95,304	625,005	1,378,127	813	1,378,940
Profit for the period		-	-	-	-	-	-	-	433,943	433,943	229	434,172
Foreign currency translation differences		-	-	136,406	-	-	-	-	-	136,406	171	136,577
Fair value movements on equity instruments		-	-	-	73,880	-	-	-	-	73,880	-	73,880
Fair value movements on debt securities		-	-	-	3,107	-	-	-	-	3,107	-	3,107
<b>Total comprehensive income for the period</b>		-	-	<b>136,406</b>	<b>76,987</b>	-	-	-	<b>433,943</b>	<b>647,336</b>	<b>400</b>	<b>647,736</b>
Transfer between reserves	40	-	-	-	-	58,308	-	-	(58,308)	-	-	-
Dividends		-	-	-	-	-	-	-	(106,748)	(106,748)	-	(106,748)
<b>Balance at 30 September 2023</b>		15,698	255,047	161,359	123,967	369,719	3,729	95,304	893,900	1,918,723	1,213	1,919,935



# ZENITH BANK PLC

Consolidated and Separate Interim Financial Statements for the period ended 30 September 2023

## Statements of changes in equity for the period ended 30 September 2023

In millions of Naira	Note(s)	Share capital	Share premium	Fair value reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings	Total equity
<b>Bank</b>									
<b>Balance at 1 January 2022</b>		15,698	255,047	45,622	243,414	3,729	20,016	466,249	1,049,775
Profit for the period		-	-	-	-	-	-	162,649	162,649
Fair value movements on equity instruments		-	-	8,274	-	-	-	-	8,274
<b>Total comprehensive income for the period</b>		-	-	8,274	-	-	-	162,649	170,923
Transfer between reserves		-	-	-	24,397	-	21,606	(46,003)	-
Dividends		-	-	-	-	-	-	(97,327)	(97,327)
<b>Balance at 30 September 2022</b>		15,698	255,047	53,896	267,811	3,729	41,622	485,567	1,123,370
<b>Balance at 1 January 2023</b>									
<b>Balance at 1 January 2023</b>		15,698	255,047	53,731	278,602	3,729	93,911	494,429	1,195,147
Profit for the period		-	-	-	-	-	-	388,718	388,718
Fair value movements on equity instruments		-	-	73,880	-	-	-	-	73,880
<b>Total comprehensive income for the period</b>		-	-	73,880	-	-	-	388,718	462,598
Transfer between reserves		-	-	-	58,308	-	-	(58,308)	-
Dividends		-	-	-	-	-	-	(106,748)	(106,748)
<b>Balance at 30 September 2023</b>		15,698	255,047	127,611	336,910	3,729	93,911	718,094	1,551,000

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

# ZENITH BANK PLC

Consolidated and Separate Interim Financial Statements for the period ended 30 September 2023

## Statements of cash flows for the period ended 30 September 2023

In millions of Naira	Note(s)	Group			Bank		
		30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>Cash flows from operating activities</b>							
Profit before tax for the period		505,036	202,549	284,650	439,282	181,055	294,050
<b>Adjustments for:</b>							
Net impairment loss on financial and non-financial instruments		209,999	37,096	123,252	208,071	35,801	61,896
Unrealised fair value change in trading bond, bills and derivatives		(486,452)	(38,574)	(90,046)	(384,171)	(37,970)	(88,394)
Depreciation of property and equipment		19,247	19,886	26,630	17,070	18,092	24,519
Amortisation of intangible assets		2,199	2,218	3,679	1,886	1,907	3,045
Dividend income		(5,151)	(2,526)	(2,223)	(24,823)	-	(17,148)
Foreign exchange revaluation gain		(223,523)	(11,141)	(25,201)	(273,482)	(18,572)	(25,320)
Write-off of Intangible		-	-	-	-	(10,353)	-
Interest income		(670,932)	(390,755)	(540,166)	(545,050)	(333,391)	(448,174)
Interest expense		255,704	107,848	173,539	220,767	93,461	153,019
Gain on sale of property and equipment		(125)	(2,517)	(2,563)	(124)	(2,408)	(2,451)
Gain on lease derecognition		-	-	(2,028)	-	-	(2,025)
		(393,998)	(75,916)	(50,477)	(340,575)	(72,378)	(46,983)
<b>Changes in operating assets and liabilities:</b>							
Net(increase) in loans and advances		(1,350,803)	(490,785)	(543,005)	(1,093,572)	(514,145)	(502,442)
Net (increase)/decrease in other assets		(427,642)	(119,905)	(59,586)	(352,600)	(127,554)	(55,735)
Net decrease/(increase) in treasury bills (FVTPL) including bills pledged		701,245	429,619	(76,101)	694,241	427,288	(78,553)
Net (increase)/decrease in investment securities including bonds pledged (FVTPL and FVOCI)		98,906	572,341	(254,630)	3,386	(352)	138
Net (increase)/decrease in restricted balances (cash reserves)		(814,200)	(363,635)	(418,711)	(927,493)	(375,924)	(419,705)
Net decrease in due from banks with maturity greater than three months and restricted cash		(73,164)	(454,527)	(15,661)	(72,054)	(182,367)	(21,065)
Net Increase customer deposits		2,989,014	1,465,839	2,362,290	2,804,144	1,530,545	2,153,832
Net increase/(decrease) in Other liabilities		316,196	87,949	48,387	313,006	130,989	84,480
Interest received from operating activities		401,258	238,635	354,722	364,725	215,823	302,324
Interest paid		(198,932)	(75,163)	(143,859)	(178,554)	(63,211)	(128,805)
Tax paid		(82,000)	(15,779)	(24,247)	(58,135)	(7,073)	(7,728)
<b>Net cash flows generated from operations</b>		<b>1,165,880</b>	<b>1,198,673</b>	<b>1,179,122</b>	<b>1,156,519</b>	<b>961,641</b>	<b>1,279,758</b>
<b>Cash flows from investing activities</b>							
Purchase of property, plant and equipment		(31,255)	(53,628)	(67,245)	(28,121)	(52,945)	(64,357)
Proceeds from Sale of property, plant and equipment		378	9,486	3,207	298	9,058	2,671
Purchase of intangible assets		(7,724)	(3,259)	(4,130)	(7,651)	(2,959)	(3,461)
Additions to treasury bills		(2,326,658)	(1,757,226)	(3,060,163)	(2,111,547)	(1,701,671)	(2,968,565)
Disposal of treasury bills		1,698,588	2,021,414	2,833,003	1,689,621	1,888,343	2,679,567
Interest received from treasury bills and investment securities		124,078	86,890	88,416	112,047	52,338	71,700
Acquisition of Right of Use Asset		(314)	(856)	(2,281)	(277)	(696)	(2,031)
Additions to other Investment securities		(567,848)	(900,814)	(559,328)	(557,782)	(130,449)	(206,285)
Disposal of other Investment securities		117,180	75,126	403,066	114,845	51,793	65,448
Dividends received		5,151	2,527	2,223	24,823	18,573	17,148
<b>Net cash from investing activities</b>		<b>(988,424)</b>	<b>(520,340)</b>	<b>(363,232)</b>	<b>(763,744)</b>	<b>131,385</b>	<b>(408,165)</b>

## Statements of cash flows for the period ended 30 September 2023

In millions of Naira	Note(s)	Group			Bank		
		30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>Cash flows from financing activities</b>							
Repayment & Repurchase of debt securities issued		-	(44,841)	(46,071)	-	(44,841)	(46,071)
Cash inflow from long term borrowings		619,168	1,051,998	1,243,614	619,168	1,050,235	1,279,743
Repayment of long term borrowings		(778,551)	(777,117)	(1,135,414)	(776,550)	(777,117)	(1,154,340)
Repayment of onlending facility		(34,879)	(52,532)	(59,470)	(25,787)	-	(59,470)
Repayment of principal for lease liability		(459)	(10,860)	(4,011)	(337)	(52,532)	(2,927)
Unclaimed dividend received		(352)	-	1,117	(352)	(10,480)	1,117
Dividends paid to shareholders		(106,748)	(97,389)	(97,371)	(106,748)	(97,327)	(97,330)
<b>Net cash used in financing activities</b>		<b>(301,821)</b>	<b>69,259</b>	<b>(97,606)</b>	<b>(290,606)</b>	<b>67,938</b>	<b>(79,278)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(124,365)</b>	<b>747,592</b>	<b>718,284</b>	<b>102,169</b>	<b>1,160,964</b>	<b>792,315</b>
<b>Analysis of changes in cash and cash equivalents:</b>							
Cash and cash equivalent at the beginning of the year		1,940,758	1,134,519	1,134,519	1,657,186	776,574	776,574
<b>(decrease)/increase in cash and cash equivalents</b>		<b>(124,365)</b>	<b>747,592</b>	<b>718,284</b>	<b>102,169</b>	<b>1,160,964</b>	<b>792,315</b>
Effect of exchange rate movement on cash balances		887,123	26,826	87,955	887,095	26,056	88,297
<b>Cash and cash equivalents at the end of the period</b>	44	<b>2,703,516</b>	<b>1,908,937</b>	<b>1,940,758</b>	<b>2,646,450</b>	<b>1,963,594</b>	<b>1,657,186</b>

## Notes to the interim consolidated and separate financial statements

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### 1 The Bank

Zenith Bank Plc (the "Bank") was incorporated in Nigeria under the Companies and Allied Matters Act as a private limited liability company on May 30, 1990. It was granted a banking licence in June 1990, to carry on the business of commercial banking and commenced business on June 16, 1990. The Bank was converted into a Public Limited Liability Company on May 20, 2004. The Bank's shares were listed on October 21, 2004 on the Nigerian Stock Exchange, and in August 2015, the Bank was admitted into the Premium Board of the Nigerian Exchange Limited.

The principal activity of the Bank is the provision of banking and other financial services to corporate and individual customers. Such services include granting of loans and advances, corporate finance and money market activities.

The Bank has six subsidiary companies namely Zenith Bank (Ghana) Limited, Zenith Pensions Custodian Limited, Zenith Bank (UK) Limited, Zenith Bank (Sierra Leone) Limited, Zenith Bank (Gambia) Limited and Zenith Nominees Limited. The results of the Bank's subsidiaries have been consolidated in these nine months period financial statements.

### 2. Condensed statement of accounting policies

#### Interim financial statements

The condensed financial statements of Zenith Bank Plc and its subsidiaries (together "The Group") for the period ended 30 September 2023 are presented and have been prepared based on the provisions of IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

As a result, the Group applied the same accounting methods used for consolidated financial statements for the year ended 31 December 2022, prepared in accordance with the International financial reporting standards and Other National Disclosures (refer to Note "Basis of preparation" presented in the Statement of Accounting Policies (Notes 1 and 2 of 31 December 2022 Financial Statements).

Provision for income tax have been calculated in line with relevant tax laws and circulars in jurisdiction in which the Group operates.

There were no changes to the accounting policies adopted by the Group during the period in the preparation of its quarterly report.

### 3. Seasonality of operations

The impact of seasonality or cyclicity on operations is not regarded as significant to the condensed interim consolidated financial statements. The operations of the Group are expected to be even within the period. However, global and national events and occurrences may affect the Group's operations depending on the extent of relationship these events and occurrences have with the operations.

### 4. Unusual items

There were no unusual transactions or occurrences within the period.

### 5. Changes in estimates

#### Critical accounting estimates and judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 6. Business combinations

There was no business combination during the period.

### 7. Restructuring and reversals of restructuring provisions

Cummulative loans and advances to customers of N1,057 billion which are neither past due nor impaired have been renegotiated.

### 8. Correction of prior period errors

No error has been noted in relation to the prior period results.

### 9. Impairment loss of property, equipment, intangible or other assets, and reversal of such impairment loss

Within the period under review, none of the Group's property and equipment was impaired and there were no reversals of previous impairment charges in the current period.

## Notes to the Interim Consolidated and Separate Financial Statements

### 10. Litigation settlements

There was litigation settlement in the period 30 September 2023 amounting to N2.7million.

### 11. Securities trading policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Zenith Bank Plc maintains a security trading policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Bank's securities. The Policy is periodically reviewed by the Board and updated. The Bank has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period under review.

### 12. Segment

The Group's operations are primarily organised on the basis of its geographic coverage which are: Nigeria and outside Nigeria (Rest of Africa and Europe).

	Nigeria	Outside Nigeria		Total reportable segments	Eliminations	Consolidated
		Rest of Africa	Europe			
<b>In millions of Naira</b>						
<b>30 September 2023</b>						
<b>Revenue:</b>						
Derived from external customers	1,177,818	82,225	69,032	1,329,075	-	1,329,075
Derived from other business segments	19,671	-	-	19,671	(19,671)	-
<b>Total revenue*</b>	<b>1,197,489</b>	<b>82,225</b>	<b>69,032</b>	<b>1,348,746</b>	<b>(19,671)</b>	<b>1,329,075</b>
Interest expense	(220,769)	(13,459)	(21,476)	(255,704)	-	(255,704)
Impairment charge for credit losses	(208,144)	(1,500)	(355)	(209,999)	-	(209,999)
Operating expenses	(320,639)	(23,635)	(14,062)	(358,336)	-	(358,336)
Profit before tax	447,937	43,631	33,139	524,707	(19,671)	505,036
Tax expense	(52,658)	(9,581)	(8,625)	(70,864)	-	(70,864)
<b>Profit after tax</b>	<b>395,279</b>	<b>34,050</b>	<b>24,514</b>	<b>453,843</b>	<b>(19,671)</b>	<b>434,172</b>

	Nigeria	Outside Nigeria		Total reportable segments	Eliminations	Consolidation
		Rest of Africa	Europe			
<b>In millions of Naira</b>						
<b>30 September 2023</b>						
Capital expenditure**	35,171	5,406	255	40,832	-	40,832
Identifiable assets	15,594,503	905,307	2,106,384	18,606,194	(445,380)	18,160,814
Identifiable liabilities	14,017,447	773,918	1,860,273	16,651,638	(410,759)	16,240,879

\* Revenues are allocated based on the location of the operations.

\*\* Capital expenditure consists of expenditure on intangible assets and property and equipment during the period.

## Notes to the Interim Consolidated and Separate Financial Statements

## 12. Segment (continued)

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidation
		Rest of Africa	Europe			
<b>In millions of Naira</b>						
<b>30 September 2022</b>						
<b>Revenue:</b>						
Derived from external customers	527,908	46,495	25,017	599,420	680	600,100
Derived from other business segments	35,404	1,114	-	36,518	(16,044)	20,474
<b>Total revenue*</b>	<b>563,312</b>	<b>47,609</b>	<b>25,017</b>	<b>635,938</b>	<b>(15,364)</b>	<b>620,574</b>
Interest expense	(93,463)	(10,873)	(3,563)	(107,899)	51	(107,848)
Impairment charge for credit losses	(35,801)	(1,406)	111	(37,096)	-	(37,096)
Operating expenses	(246,474)	(18,974)	(7,255)	(272,703)	(378)	(273,081)
Profit before tax	187,574	16,356	14,310	218,240	(15,691)	202,549
Tax expense	(20,204)	(5,506)	(2,508)	(28,218)	-	(28,218)
<b>Profit after tax</b>	<b>167,370</b>	<b>10,850</b>	<b>11,802</b>	<b>190,022</b>	<b>(15,691)</b>	<b>174,331</b>
<b>In millions of Naira</b>						
<b>30 September 2022</b>						
Capital expenditure**	55,687	3,170	98	58,955	-	58,955
Identifiable assets	9,905,652	492,436	1,250,089	11,648,177	(306,198)	11,341,979
Identifiable liabilities	8,757,068	414,226	1,133,592	10,304,886	(271,554)	10,033,332

\* Revenues are allocated based on the location of the operations.

\*\* Capital expenditure consists of expenditure on intangible assets and property and equipment during the period.

## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022
<b>13. Interest and similar income</b>								
Loans and advances to customers	154,712	408,660	261,253	370,446	144,390	386,459	243,480	346,320
Placement with banks and discount houses	24,248	45,786	6,535	12,270	6,442	17,360	1,496	3,968
Treasury bills	20,654	91,435	33,680	43,609	1,611	51,819	25,163	32,972
Promisoy notes	1,047	2,175	945	1,332	1,047	2,174	944	1,330
Commercial papers	6,745	14,362	1,912	2,766	6,653	14,131	1,912	2,726
Government and other bonds	48,101	108,514	86,430	109,743	33,863	73,107	60,396	60,858
	<b>255,507</b>	<b>670,932</b>	<b>390,755</b>	<b>540,166</b>	<b>194,006</b>	<b>545,050</b>	<b>333,391</b>	<b>448,174</b>

Interest and similar income represents interest income on financial assets measured at amortised cost using the effective interest rate method.

**14. Interest and similar expense**

Current accounts	25,511	49,396	11,595	37,926	19,562	43,345	9,968	34,405
Savings accounts	19,735	52,086	18,112	32,150	19,606	51,804	17,900	31,885
Time deposits	21,673	85,727	31,281	52,634	8,202	57,308	21,351	38,269
Borrowed funds	34,923	67,617	44,607	48,747	33,146	67,471	42,715	46,391
Leases	298	878	2,253	2,082	283	839	1,527	2,069
	<b>102,140</b>	<b>255,704</b>	<b>107,848</b>	<b>173,539</b>	<b>80,799</b>	<b>220,767</b>	<b>93,461</b>	<b>153,019</b>

Total interest expense are calculated using the effective interest rate method reported above and does not include interest expense on financial liabilities carried at fair value through profit or loss.

## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022
<b>15. Impairment charge on financial and non-financial instruments</b>								
<b>ECL on financial instruments:</b>								
Loans and advances	2	204,843	37,532	38,343	271	203,343	33,003	38,429
Investment securities	673	2,304	(2,901)	62,742	33	1,949	178	1,918
Treasury Bills	384	1,355	27	(400)	110	1,355	194	(356)
Other financial assets	296	(3,883)	(17)	19,037	122	(3,956)	(29)	19,033
Due from other banks	15	192	36	(649)	15	192	36	17
Asset pledged as collateral	43	386	178	(180)	43	386	178	(180)
Total ECL on financial instruments	1,413	205,197	34,855	118,893	594	203,269	33,560	58,861
<b>Impairment (credit)/charge on non-financial instruments:</b>								
Off balance sheet	50	1,256	2,241	998	20	1,306	2,241	(326)
Other non-financial assets	611	3,546	-	3,361	561	3,496	-	3,361
	<b>2,074</b>	<b>209,999</b>	<b>37,096</b>	<b>123,252</b>	<b>1,175</b>	<b>208,071</b>	<b>35,801</b>	<b>61,896</b>
<b>16. Net income on fee and commission</b>								
Credit related fees	6,140	10,006	8,017	6,609	5,074	6,119	4,119	1,406
Commission on turnover	-	-	-	1,165	-	-	-	-
Account maintenance fee	12,308	33,328	28,147	41,557	11,346	31,319	27,731	40,860
Income from financial guarantee contracts issued	4,543	6,174	7,122	10,536	4,493	6,112	5,268	6,829
Fees on electronic products	11,281	33,551	36,069	45,739	11,932	33,922	33,469	43,275
Foreign currency transaction fees and commission	2,807	7,377	4,436	3,389	974	2,968	2,267	3,258
Asset based management fees	3,337	8,139	6,663	9,595	-	-	-	-
Auction fees income	170	382	330	622	170	382	330	622
Corporate finance fees	6	68	293	1,691	6	68	175	1,691
Foreign withdrawal charges	2,953	15,273	8,897	15,551	2,953	15,273	8,897	15,535
Commission on letters of credit	3,831	8,650	7,245	8,541	2,411	5,556	7,002	8,303
Commission on agency and collection services	2,884	7,379	10,685	12,221	2,632	6,754	9,266	11,699
Total fee and commission income	50,260	130,327	117,904	157,216	41,991	108,473	98,524	133,478
Fees and Commission Expense	(14,845)	(50,988)	(17,847)	(24,421)	(14,246)	(49,823)	(17,114)	(23,380)
<b>Net income on fees and commission</b>	<b>35,415</b>	<b>79,339</b>	<b>100,057</b>	<b>132,795</b>	<b>27,745</b>	<b>58,650</b>	<b>81,410</b>	<b>110,098</b>



## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022
<b>17. Other operating income</b>								
Dividend Income from equity instruments	2,085	5,151	2,526	2,223	5,046	24,823	18,572	17,148
(Loss)/ gain on disposal of property and equipment	45	125	2,517	2,563	44	124	2,408	2,451
Income on cash handling	152	367	661	476	-	-	445	445
Loan recovery	6,880	16,676	3,629	4,928	6,880	16,675	3,626	4,426
Foreign currency revaluation gain/ (loss)	22,534	378,122	11,141	25,304	21,906	376,939	10,353	25,320
	<b>31,696</b>	<b>400,441</b>	<b>20,474</b>	<b>35,494</b>	<b>33,876</b>	<b>418,561</b>	<b>35,404</b>	<b>49,790</b>

Dividend income from equity investments represents dividend received on equity instruments held for strategic purposes and for which the Group has elected to present the fair value and loss in other comprehensive income.

**18. Trading gains**

Gain/(loss) on other trading books	22,140	100,097	11,572	(1,325)	17,793	88,086	9,409	(9,238)
Gain on treasury bills FVTPL	1,802	24,068	78,337	214,508	1,732	23,615	78,313	210,932
(Loss)/gain on bonds FVTPL	(1,608)	274	1,147	(910)	(2,053)	(748)	(830)	(454)
Interest income on trading bonds	2,016	2,936	385	405	2,016	2,936	385	405
	<b>24,350</b>	<b>127,375</b>	<b>91,441</b>	<b>212,678</b>	<b>19,488</b>	<b>113,889</b>	<b>87,277</b>	<b>201,645</b>

## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022
<b>19. Operating expenses</b>								
Directors' emoluments	1,522	4,025	1,060	5,444	1,007	3,286	510	5,154
Auditors' remuneration	351	857	755	1,065	150	450	450	600
Deposit insurance premium	6,914	20,490	14,671	21,747	6,558	19,675	14,671	21,747
Professional fees	2,363	5,696	3,869	6,413	1,951	4,675	3,711	5,738
Training and development	834	2,158	1,672	2,934	693	1,929	1,545	2,858
Information Technology	4,679	13,354	22,218	30,971	3,662	10,028	21,358	27,662
Lease expense	252	1,313	1,247	593	114	1,030	553	583
Advertisement	2,456	7,574	6,159	8,787	2,388	7,450	6,011	8,622
Outsourcing services	4,295	14,283	10,250	14,758	4,285	14,261	10,232	14,571
Bank charges	1,037	6,147	9,988	11,936	986	5,651	9,303	11,124
Fuel and maintenance	9,014	25,567	22,927	29,648	8,532	22,486	19,372	25,905
Insurance	753	2,212	1,690	2,258	600	1,859	1,481	1,991
Licenses, registrations and subscriptions	1,554	4,872	3,220	4,712	803	3,469	2,655	3,246
Travel and hotel expenses	2,169	4,210	3,115	2,987	1,627	3,122	1,946	2,637
Printing and stationery	1,447	3,464	2,924	4,137	998	2,331	2,223	3,133
Security and cash handling	1,376	3,815	3,845	4,784	1,227	3,450	3,111	4,467
Fines & Penalties	-	17	-	-	-	17	-	-
Donations	2,944	4,158	1,038	1,697	2,923	4,120	1,002	1,670
AMCON levy	-	57,383	44,010	44,010	-	57,383	44,010	44,010
Telephone, postages and communications	1,906	6,573	7,796	9,709	1,806	6,341	7,370	9,323
Corporate promotions	2,687	6,125	4,976	8,230	2,661	6,055	4,864	7,999
Others	921	3,184	4,236	6,152	358	1,055	2,734	1,663
	<b>49,474</b>	<b>197,477</b>	<b>171,666</b>	<b>222,972</b>	<b>43,329</b>	<b>180,123</b>	<b>159,112</b>	<b>204,703</b>

## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group				Bank			
	3 Months	9 Months	9 Months	12 Months	3 Months	9 Months	9 Months	12 Months
	30 September 2023	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2023	30 September 2022	31 December 2022

## 20. Taxation

## (a) Major components of the tax expense

## Income tax expense

Corporate tax	13,326	33,916	23,866	68,156	8,268	8,268	18,861	51,370
Minimum tax expense	(4,464)	-	-	-	(4,464)	-	-	-
Information technology tax	1,041	4,219	1,811	3,026	1,041	4,177	1,811	2,940
Tertiary Education tax	2,111	2,204	5,926	6,775	2,111	2,111	5,926	6,595
Police trust fund levy	5	21	9	15	5	21	9	15
NASENI Levy	261	1,045	453	735	261	1,045	453	735
National Fiscal Stabilization Levy & Financial Sector Recovery	186	2,379	4,552	-	-	-	-	-
Reversal of prior period over provision	-	-	(9,528)	(6,513)	-	-	(9,528)	(6,513)
Current income tax charge	12,466	43,784	27,089	72,194	7,222	15,622	17,532	55,142
Current income tax	12,466	43,784	27,089	72,194	7,222	15,622	17,532	55,142
<b>Deferred tax expense</b>								
Origination of temporary differences	(231)	27,080	1,129	(11,455)	(774)	34,942	874	4,315
Income tax expense	12,235	70,864	28,218	60,739	6,448	50,564	18,406	59,457
<b>Total tax expense</b>	<b>12,235</b>	<b>70,864</b>	<b>28,218</b>	<b>60,739</b>	<b>6,448</b>	<b>50,564</b>	<b>18,406</b>	<b>59,457</b>

## (b) The movement in the current income tax payable balance is as follows:

	Group			Bank			
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022	
At start of the period/year		64,856	16,909	16,909	61,655	14,241	14,241
Tax paid		(82,000)	(15,779)	(24,247)	(58,135)	(7,073)	(7,728)
Current income tax charge		43,784	36,617	72,194	15,622	27,060	55,142
Reversal of prior period over provision		-	(9,528)	-	-	(9,528)	-
<b>At end of period/year</b>		<b>26,640</b>	<b>28,219</b>	<b>64,856</b>	<b>19,142</b>	<b>24,700</b>	<b>61,655</b>

## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022

## 21. Earnings per share (EPS)

## Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period. Where a stock split or bonus share issue has occurred, the number of shares in issue in the prior period is adjusted to achieve comparability

Profit attributable to shareholders of the Bank (N'million)	103,337	433,943	174,229	224,050	114,155	388,718	162,649	234,593
Number of issued shares end of the period (millions)	31,396	31,396	31,396	31,396	31,396	31,396	31,396	31,396
Weighted average number of ordinary shares in issue (millions)	31,396	31,396	31,396	31,396	31,396	31,396	31,396	31,396
Basic and diluted earnings per share (Naira)	3.29	13.82	5.55	7.14	3.64	12.38	5.18	7.47

Basic and diluted earnings per share are the same, as the Bank has no potentially dilutive ordinary shares.

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>22. Cash and balances with central banks</b>						
Cash	184,848	60,428	85,437	152,368	46,119	66,067
Operating accounts and deposits with central banks	334,330	116,766	366,699	183,539	108,142	341,420
Mandatory reserve deposits with central bank (cash reserve)	2,541,710	1,613,843	1,668,919	2,541,710	1,570,436	1,614,217
Special cash reserve requirement	80,689	80,689	80,689	80,689	80,689	80,689
	<b>3,141,577</b>	<b>1,871,726</b>	<b>2,201,744</b>	<b>2,958,306</b>	<b>1,805,386</b>	<b>2,102,394</b>

Mandatory reserve deposits with central banks represents a percentage of customer deposits (prescribed from time to time by the central bank) which are not available for daily use. For the purposes of the Statement of cashflow, this balance is excluded from cash and cash equivalents.

**23. Treasury bills**

Treasury bills (FVTPL)	1,231,015	1,007,634	1,243,038	1,231,015	1,007,633	1,243,038
Treasury bills (Amortized cost)	1,614,853	946,164	1,003,908	1,447,735	891,704	963,669
ECL Allowance on treasury bills (Amortized cost)	(1,514)	(842)	(408)	(1,393)	(589)	(39)
	<b>2,844,354</b>	<b>1,952,956</b>	<b>2,246,538</b>	<b>2,677,357</b>	<b>1,898,748</b>	<b>2,206,668</b>
Treasury bills less than 3 months maturity	272,136	1,179,856	232,218	265,243	1,147,684	232,218
	<b>272,136</b>	<b>1,179,856</b>	<b>232,218</b>	<b>265,243</b>	<b>1,147,684</b>	<b>232,218</b>

**24. Assets pledged as collateral**

Bonds pledged as collateral	249,852	93,398	119,145	198,345	93,387	119,047
Treasury bills under repurchase agreement	98,565	294,647	135,536	98,565	294,647	135,536
ECL Allowance on assets pledged and under repurchase agreements	(404)	(376)	(18)	(404)	(376)	(18)
	<b>348,013</b>	<b>387,669</b>	<b>254,663</b>	<b>296,506</b>	<b>387,658</b>	<b>254,565</b>

Financial assets are pledged as collateral as part of sales and repurchases, borrowing transaction and collection agency transactions under terms that are usual for such activities.

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>25. Due From Other Banks</b>						
Current balances with banks outside Nigeria	1,718,139	514,939	907,358	2,018,453	624,816	957,902
Placement with banks	809,782	521,650	395,528	362,288	313,465	174,969
ECL allowance	(267)	(94)	(75)	(267)	(94)	(75)
	<b>2,528,019</b>	<b>1,036,495</b>	<b>1,302,811</b>	<b>2,380,474</b>	<b>938,187</b>	<b>1,132,796</b>
<b>26. Derivative assets</b>						
<b>Instrument types (fair value)</b>						
Forward and Swap Contracts	443,221	46,994	49,548	440,530	48,719	48,525
Futures contracts	40,518	452	326	40,518	452	326
	<b>483,739</b>	<b>47,446</b>	<b>49,874</b>	<b>481,048</b>	<b>49,171</b>	<b>48,851</b>
<b>Derivative assets and liabilities.</b>						
The Group enters into currency forward contracts with counterparties. On initial recognition, the Group estimates the fair value of derivatives transacted with the counterparties using the discounted mark-to-market technique. In many cases, all significant inputs into the valuation techniques are wholly observable e.g with reference to similar transactions in the wholesale dealer market.						
<b>27. Loans and advances</b>						
Overdraft	955,357	589,270	450,649	891,529	565,431	427,453
Term Loans	4,453,399	2,708,369	2,982,808	3,944,589	2,493,320	2,720,843
On Lending Facilities	692,698	761,077	690,509	692,698	761,077	690,509
Gross loans and advances to customers	6,101,454	4,058,716	4,123,966	5,528,816	3,819,828	3,838,805
Less: ECL Allowance	(320,532)	(178,695)	(110,261)	(306,472)	(168,194)	(103,129)
	<b>5,780,922</b>	<b>3,880,021</b>	<b>4,013,705</b>	<b>5,222,344</b>	<b>3,651,634</b>	<b>3,735,676</b>

## Notes to the interim consolidated and separate financial statements

Group In millions of Naira	30 September 2023				31 December 2022			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Loans and advances to customers at amortised cost								
Balance at 1 January	29,501	35,370	45,390	110,261	25,672	26,032	94,445	146,149
Transfer to 12-month ECL	4,725	(2,210)	(2,515)	-	1,650	(689)	(961)	-
Transfer to lifetime ECL not credit-impaired	(123)	223	(100)	-	(314)	1,675	(1,361)	-
Transfer to lifetime ECL credit-impaired	(228)	(487)	715	-	(613)	327	286	-
Net remeasurement of loss allowances	-	-	-	-	4,154	7,671	26,518	38,343
New financial assets originated or purchased	6,962	6,522	4,834	18,318	-	-	-	-
Recoveries of amounts previously written off	-	-	-	-	-	-	-	-
Effect of changes in EAD, LGD and PD	5,189	103,745	77,591	186,525	-	-	-	-
Foreign exchange and other movements	2,523	453	2,452	5,428	(1,049)	354	540	(155)
Write-offs and recoveries	-	-	-	-	-	-	(74,077)	(74,077)
<b>Closing balance</b>	<b>48,549</b>	<b>143,616</b>	<b>128,367</b>	<b>320,532</b>	<b>29,501</b>	<b>35,370</b>	<b>45,390</b>	<b>110,261</b>
<b>Gross amount</b>	<b>4,491,842</b>	<b>1,370,057</b>	<b>239,555</b>	<b>6,101,454</b>	<b>3,139,107</b>	<b>905,393</b>	<b>79,465</b>	<b>4,123,966</b>

Bank In millions of naira	30 September 2023				31 December 2022			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Loans and advances to customers at amortised cost								
Balance at 1 January	25,269	34,341	43,519	103,129	17,578	26,628	94,315	138,521
Transfer to 12-month ECL	2,667	(2,562)	(105)	-	1,399	(438)	(961)	-
Transfer to lifetime ECL not credit-impaired	(115)	215	(100)	-	(310)	1,671	(1,361)	-
Transfer to lifetime ECL credit-impaired	(219)	(487)	706	-	(613)	(107)	720	-
Net remeasurement of loss allowances	-	-	-	-	7,215	6,587	24,627	38,429
New financial assets originated or purchased	6,771	6,375	4,818	17,964	-	-	-	-
Write-offs and recoveries	-	-	-	-	-	-	(73,821)	(73,821)
Decrecognised asset other than write off	-	-	-	-	-	-	-	-
Effects of changes in EAD, LGD and PD	5,189	103,831	76,359	185,379	-	-	-	-
Foreign exchange and other movements	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>39,562</b>	<b>141,713</b>	<b>125,197</b>	<b>306,472</b>	<b>25,269</b>	<b>34,341</b>	<b>43,519</b>	<b>103,129</b>
<b>Gross amount</b>	<b>4,070,270</b>	<b>1,241,474</b>	<b>217,072</b>	<b>5,528,816</b>	<b>2,862,479</b>	<b>889,746</b>	<b>76,580</b>	<b>3,838,805</b>

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>28. Investment Securities</b>						
<b>Debt securities</b>						
At amortised cost	1,172,795	1,514,890	852,145	691,900	489,993	520,921
At FVTOCI	986,176	-	833,849	-	-	-
ECL allowance	(39,771)	(865)	(63,986)	(4,532)	(844)	(2,583)
Net debt securities measured at amortised cost and FVTOCI	2,119,200	1,514,025	1,622,008	687,368	489,149	518,338
Debt securities (measured at fair value through profit or loss)	7,170	12,902	12,443	7,174	9,431	10,560
Net debt securities	2,126,370	1,526,927	1,634,451	694,542	498,580	528,898
<b>Equity securities</b>						
At fair value through other comprehensive income	167,763	94,048	93,883	167,763	94,048	93,883
	<b>2,294,133</b>	<b>1,620,975</b>	<b>1,728,334</b>	<b>862,305</b>	<b>592,628</b>	<b>622,781</b>

**29. Investment in subsidiaries**

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

**Group**

Name of company	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	Ownership interest %	Ownership interest %		
Zenith Bank (Ghana) Limited (see (1) below)	99.42%	99.42%	7,066	7,066
Zenith Bank (UK) Limited	100.00%	100.00%	21,482	21,482
Zenith Bank (Sierra Leone) Limited	99.99%	99.99%	2,059	2,059
Zenith Bank (Gambia) Limited	99.96%	99.96%	1,038	1,038
Zenith Pensions Custodian Limited	99.00%	99.00%	1,980	1,980
Zenith Nominees	99.00%	99.00%	1,000	1,000
			<b>34,625</b>	<b>34,625</b>



## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>30. Deferred tax balances</b>						
Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2022: 30%).						
<b>Deferred tax assets</b>						
<b>Movement in deferred tax asset</b>						
At the start of the year/period	18,343	1,837	27,373	-	-	9,030
Deferred tax asset movement	8,201	(262)	(9,030)	-	-	(9,030)
<b>At the close of the period/year</b>	<b>26,544</b>	<b>1,575</b>	<b>18,343</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>						
At the start of the year/period	16,654	11,603	25,684	15,911	11,596	24,941
Charge for the year/period	35,281	867	(9,030)	34,942	874	(9,030)
<b>At the close of the year/period</b>	<b>51,935</b>	<b>12,470</b>	<b>16,654</b>	<b>50,853</b>	<b>12,470</b>	<b>15,911</b>
<b>31. Other assets</b>						
<b>Non-financial assets</b>						
Prepayments	28,310	29,323	9,803	24,083	27,466	7,363
Other non-financial assets	18,217	12,807	13,615	18,513	12,805	13,501
Gross other non-financial assets	46,527	42,130	23,418	42,596	40,271	20,864
Less impairment	(6,907)	-	(3,361)	(6,857)	-	(3,361)
Net other non-financial assets	39,620	42,130	20,057	35,739	40,271	17,503
<b>Other financial assets</b>						
E-card and settlement receivables	303,829	191,084	127,583	302,134	182,000	125,569
Intercompany receivables	2,413	(4,543)	-	3,053	585	542
Deposits for investment in AGSMEIS	65,476	53,747	53,747	65,476	53,747	53,747
Other receivables	45,176	22,446	41,109	17,944	21,030	24,579
Deposits for shares	-	-	-	-	-	720
Gross other financial assets	416,894	262,734	222,439	388,607	257,362	205,157
Less: ECL allowance	(25,022)	(9,908)	(28,973)	(24,912)	(9,806)	(28,868)
Net other financial assets	391,872	252,826	193,466	363,695	247,556	176,289
<b>Total other assets (Net)</b>	<b>431,492</b>	<b>294,956</b>	<b>213,523</b>	<b>399,434</b>	<b>287,827</b>	<b>193,792</b>

## Notes to the interim consolidated and separate financial statements

## 32. Property and equipment

## (a) Property and equipment movement

## Group

30 September 2023

	Land	Buildings	Leasehold improvements	Furniture, fittings and equipment	Computer equipment	Aircraft	Motor vehicles	Right-of-use assets Buildings	Work in progress	Total
<b>Cost</b>										
At 1 January 2023	38,847	66,062	26,453	110,885	47,878	25,704	34,395	28,729	43,419	422,372
Additions	253	2,208	950	5,628	9,999	-	6,815	1,100	5,800	32,753
Reclassifications from WIP	146	3,879	19	1,121	620	-	193	646	(5,870)	754
Disposals/Write off	-	(67)	(125)	(1,553)	(221)	-	(3,698)	(109)	-	(5,773)
Exchange difference	-	3,869	1,520	1,619	(8)	-	871	-	-	7,871
<b>At 30 September 2023</b>	<b>39,246</b>	<b>75,951</b>	<b>28,817</b>	<b>117,700</b>	<b>58,268</b>	<b>25,704</b>	<b>38,576</b>	<b>30,366</b>	<b>43,349</b>	<b>457,977</b>
	Land	Buildings	Leasehold improvements	Furniture, fittings and equipment	Computer equipment	Aircraft	Motor vehicles	Right-of-use assets Buildings	Work in progress	Total
<b>Accumulated Depreciation</b>										
At 1 January 2023	-	11,338	21,915	88,352	38,916	357	22,720	7,932	-	191,529
Charge for the year	-	1,008	1,359	5,986	4,475	843	3,676	1,900	-	19,247
Reclassifications/transfer from WIP	-	26	(48)	24	(2)	-	-	-	-	-
Disposals	-	(64)	(125)	(1,526)	(220)	-	(1,557)	-	-	(3,492)
Exchange difference	-	-	-	-	-	-	-	-	-	-
<b>At 30 September 2023</b>	<b>-</b>	<b>12,308</b>	<b>23,101</b>	<b>92,836</b>	<b>43,169</b>	<b>1,200</b>	<b>24,839</b>	<b>9,832</b>	<b>-</b>	<b>207,284</b>
<b>Net book amount</b>										
At 30 June 2023	39,246	63,643	5,716	24,864	15,099	24,504	13,737	20,533	43,349	250,692
At 31 December 2022	38,847	54,724	4,538	22,533	8,962	25,347	11,675	20,799	43,419	230,843

## Notes to the interim consolidated and separate financial statements

## 32. Property and equipment (continued)

## Bank

30 September 2023

	Land	Buildings	Leasehold improvements	Furniture, fittings and equipment	Computer equipment	Right of use asset - Aircraft	Motor vehicles	Right-of-use assets - Buildings	Work in progress	Total
<b>Cost</b>										
At 1 January 2023	38,847	58,555	24,261	108,297	46,334	25,704	32,073	20,829	42,408	397,308
Additions	253	2,192	882	5,241	8,557	-	6,114	1,100	2,745	27,084
Reclassifications from WIP	146	3,879	18	1,116	517	-	193	755	(5,870)	754
Disposals	-	(67)	(125)	(1,534)	(219)	-	(1,641)	-	-	(3,586)
Transfers	-	(131)	20	119	(8)	-	-	-	-	-
<b>At 30 September 2023</b>	<b>39,246</b>	<b>64,428</b>	<b>25,056</b>	<b>113,239</b>	<b>55,181</b>	<b>25,704</b>	<b>36,739</b>	<b>22,684</b>	<b>39,283</b>	<b>421,560</b>
<b>Accumulated Depreciation</b>										
At 1 January 2023	-	10,479	20,428	86,523	37,767	357	21,585	5,595	-	182,734
Charge for the period	-	885	1,356	5,150	4,202	843	3,297	1,337	-	17,070
Reclassifications/transfer from WIP	-	26	(48)	24	(2)	-	-	-	-	-
Disposals	-	(64)	(125)	(1,522)	(219)	-	(1,506)	-	-	(3,436)
<b>At 30 September 2023</b>	<b>-</b>	<b>11,326</b>	<b>21,611</b>	<b>90,175</b>	<b>41,748</b>	<b>1,200</b>	<b>23,376</b>	<b>6,932</b>	<b>-</b>	<b>196,368</b>
<b>Net book amount</b>										
<b>At 30 September 2023</b>	<b>39,246</b>	<b>53,102</b>	<b>3,445</b>	<b>23,064</b>	<b>13,433</b>	<b>24,504</b>	<b>11,363</b>	<b>15,752</b>	<b>39,283</b>	<b>223,192</b>
<b>At 31 December 2022</b>	<b>38,847</b>	<b>48,076</b>	<b>3,833</b>	<b>21,772</b>	<b>8,566</b>	<b>25,347</b>	<b>10,490</b>	<b>15,234</b>	<b>42,408</b>	<b>214,572</b>

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>33. Intangible assets</b>						
<b>Computer Software</b>						
<b>Cost</b>						
At start of the period/year	49,275	48,353	48,353	45,115	41,654	41,654
Exchange difference	198	(200)	(324)	-	-	-
Additions	8,079	3,259	4,130	7,651	2,959	3,461
Write off	-	(2,780)	(2,884)	-	-	-
<b>At the end of the period/year</b>	<b>57,552</b>	<b>48,632</b>	<b>49,275</b>	<b>52,766</b>	<b>44,613</b>	<b>45,115</b>
<b>Accumulated amortization</b>						
At start of the period/year	24,024	23,352	23,352	21,157	18,112	18,112
Exchange difference	-	(137)	(123)	-	-	-
Disposal	-	(2,780)	(2,884)	-	-	-
Charge for the period/year	2,199	2,218	3,679	1,886	1,907	3,045
<b>At the end of the period/year</b>	<b>26,223</b>	<b>22,653</b>	<b>24,024</b>	<b>23,043</b>	<b>20,019</b>	<b>21,157</b>
<b>Carrying amount at the end of the period/year</b>	<b>31,329</b>	<b>25,979</b>	<b>25,251</b>	<b>29,723</b>	<b>24,594</b>	<b>23,958</b>

All intangible assets are non-current. All intangible assets of the Group have finite useful life and are amortised over 5 years.

The Group does not have internally generated intangible assets.

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>34. Customers' deposits</b>						
Demand	7,004,298	4,131,838	4,880,784	5,896,355	3,136,356	3,844,612
Savings	4,623,324	2,814,846	2,717,049	4,551,841	2,655,108	2,673,518
Term	1,755,955	1,095,417	1,377,820	743,053	963,719	916,676
	<b>13,383,577</b>	<b>8,042,101</b>	<b>8,975,653</b>	<b>11,191,249</b>	<b>6,755,183</b>	<b>7,434,806</b>
<b>35. Other liabilities</b>						
<b>Other financial liabilities</b>						
Customer deposits for letters of credit	205,114	127,919	113,679	205,111	127,919	113,680
Managers' Cheques	18,896	20,174	19,615	18,868	19,627	19,244
Collections accounts	226,435	146,298	111,953	226,397	146,206	108,689
Unclaimed dividend	30,116	28,647	29,764	30,116	28,647	29,764
Lease liability	18,618	12,602	14,990	9,860	7,814	8,916
AMCON payable	-	-	1,908	-	-	1,908
Electronic card and settlement payables	3,928	93,420	107,619	3,740	92,458	106,268
Customers' foreign transactions payables	2,344	20,051	30,979	2,344	20,043	30,975
Account payables	364	79,669	115,431	-	79,385	107,501
Total other financial liabilities	505,815	528,780	545,938	496,436	522,099	526,945
<b>Non-financial liabilities</b>						
Tax collections	7,019	5,108	5,765	6,875	4,606	5,503
Deferred income on financial guarantee contracts	-	1,058	2,507	-	1,006	1,926
Other payables	30,163	25,274	7,735	18,468	18,600	6,683
Off Balance Sheet exposures impairment allowance	8,512	7,857	6,614	6,596	7,857	5,290
Total other non-financial liabilities	45,694	39,297	22,621	31,939	32,069	19,402
<b>Total other liabilities</b>	<b>551,509</b>	<b>568,077</b>	<b>568,559</b>	<b>528,375</b>	<b>554,168</b>	<b>546,347</b>

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>36. On Lending Facilities</b>						
<b>(a) This comprises:</b>						
Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme Loan	25,327	38,076	32,893	25,327	38,076	32,893
Bank of Industry (BOI) Intervention Loan	26,307	30,345	29,772	26,307	30,345	29,772
Central Bank of Nigeria (CBN) / Bank of Industry(BOI) - Power & Aviation intervention Funds	1,601	2,621	2,380	1,601	2,621	2,380
CBN MSMEFD Deposit	670	1,244	1,349	670	1,244	1,349
FGN SSB Intervention Fund	125,131	127,216	126,917	125,131	127,216	126,917
Excess Crude Loan Facility Deposit	71,523	74,203	74,007	71,523	74,203	74,007
Real Sector Support Facility	26,972	33,793	32,336	26,972	33,793	32,336
Non-Oil Export Stimulation Facility	7,874	12,838	11,538	7,874	12,838	11,538
	<b>285,405</b>	<b>320,336</b>	<b>311,192</b>	<b>285,405</b>	<b>320,336</b>	<b>311,192</b>
<b>37. Borrowings</b>						
<b>Long term borrowings comprise:</b>						
Due to BUNGESA	25,221	-	51,938	25,221	-	51,938
Due to KEXIM	-	10,232	3,859	-	10,132	3,859
Due to AFREXIM	233,037	67,641	30,943	233,037	67,641	30,943
Due to COMMERZ	38,840	-	49,064	38,840	-	49,064
Due to ABSA bank	221,385	30,201	105,677	221,385	30,201	105,677
Due to ICBC (Standard Bank London)	128,170	69,960	63,459	128,170	69,960	63,459
Due to Mashreq	124,286	5,100	124,209	124,286	5,100	124,209
Due to IFC	194,198	-	116,909	194,198	-	116,909
Due to EMIRATESNB	-	-	16,493	-	-	16,493
Due to CAIXA	267,216	-	151,200	267,216	-	151,200
Due to SUMITOMOBN	-	-	46,578	-	-	46,578
Due to CITI BANK	69,911	-	-	69,911	-	-
Due to J P Morgan Chase bank	-	45,353	-	-	45,353	-
Due to Standard Chartered Bank UK	-	108,737	67,869	-	108,737	67,869
Due to Africa Trade Finance (ATF)	38,840	-	-	38,840	-	-
Due to SMBC	116,519	-	-	116,519	-	-
Due to banks for clean letters of credit	347,297	716,916	52,253	347,297	741,007	74,550
Due to WILBENTRAD	-	-	33,790	-	-	33,790
Due to CITILON	-	-	36,207	-	-	36,207
Due to ADMSTF	36,018	-	12,979	36,018	-	12,979
Due to ZENUK	23,304	-	23	23,304	-	13,856
	<b>1,864,242</b>	<b>1,054,140</b>	<b>963,450</b>	<b>1,864,242</b>	<b>1,078,131</b>	<b>999,580</b>

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022
<b>38. Derivative liabilities</b>						
<b>Instrument types (Fair value):</b>						
Forward and swap contracts	69,643	7,571	6,026	67,120	9,107	5,741
Futures contracts	7,928	418	299	7,928	418	299
	<b>77,571</b>	<b>7,989</b>	<b>6,325</b>	<b>75,048</b>	<b>9,525</b>	<b>6,040</b>
<b>39. Share capital</b>						
<b>Authorised</b>						
31,396,493,787 Ordinary shares of 50k each (31 December 2022: 40,000,000,000)	15,698	15,698	15,698	15,698	15,698	15,698
<b>Issued and fully paid</b>						
31,396,493,787 ordinary shares of 50k each (December 2020: 31,396,493,787)	15,698	15,698	15,698	15,698	15,698	15,698
<b>Issued</b>						
Ordinary	15,698	15,698	15,698	15,698	15,698	15,698
<b>40. Share premium, retained earnings and other reserves</b>						
(a) There was no movement in the Share premium account during the current and prior period.						
Share premium	255,047	255,047	255,047	255,047	255,047	255,047

The nature and purpose of the reserves in equity are as follows:

**(b) Share premium:** Premiums from the issue of shares are reported in share premium

**(c) Retained earnings:** Retained earnings represent undistributed profits, net of statutory appropriations attributable to the ordinary shareholders.

**(d) Statutory reserve:** This represents the cumulative amount set aside from general reserves/retained earnings by the Bank and its subsidiaries. This amount is non-distributable. The Bank's appropriation is in line with BOFIA 2020 which stipulates that an appropriation of 30% of profit after tax be made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital. In the current period, a total of N58.31billion (31 December 2022: N35.19billion) representing 15% of Zenith Bank's profit after tax was appropriated.

Other Non-Nigerian subsidiaries also make appropriation which is base on their profit and in line with the requirement of their Central Bank.

**(e) SMIEIS reserve:** This reserve represents the aggregate amount of appropriations from profit after tax to finance equity investments in compliance with the directives issued by the Central Bank of Nigeria (CBN) through its circulars dated July 11, 2006 (amended).

The SMIEIS reserve was maintained in compliance with the Central Bank of Nigeria's requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium scale enterprises. Under the terms of the guideline issued in July 2006, the contributions were 10% of profit after tax and were expected to continue after the first 5 years after which banks' contributions were to reduce to 5% of profit after tax.

The small and medium scale industries equity investment scheme reserves are non-distributable.

**(f) Fair value reserve:** Comprises fair value movements on equity and debt instruments that are carried at fair value through Other Comprehensive Income.

**(g) Foreign currency translation reserve:** Comprises exchange differences resulting from the translation to Naira of the results and financial position of Group companies that have a functional currency other than Naira.

**(h) Credit risk reserve:** This reserve represents the cumulative difference between the loan provision determined per the Prudential Guidelines of the Central Bank of Nigeria and the central Bank of other subsidiaries vis-a-viz the allowance/reserve for the loan losses as determined in line with the principles of IFRS 9.

As at 30 September 2023, the cumulative credit risk reserve of the Group and Bank was N95.30 billion and N93.91billion respectively (31 December 2022: Group N95.30 billion and Bank 93.91 billion).

## Notes to the interim consolidated and separate financial statements

In millions of Naira	Group			
	3 Months 30 September 2023	9 Months 30 September 2023	9 Months 30 September 2022	12 Months 31 December 2022

**41. Pension contribution**

In accordance with the provisions of the Pensions Reform Act 2014, the Bank and its subsidiaries commenced a contributory pension scheme in January 2005. For entities operating in Nigeria, the contribution by employees and the employing entities are 8% and 10% respectively of the employees' basic salary, housing and transport allowances. Entities operating outside Nigeria contribute in line with the relevant pension laws in their jurisdictions. The contribution by the Group and the Bank during the period were N3.84 billion and N1.98 billion respectively (30 June 2023: N2.77 billion and N1.58 billion).

**42. Group subsidiaries and related party transactions****Parent**

The Group is controlled by Zenith Bank Plc (incorporated in Nigeria) which is the parent company and whose shares are widely held.

**Subsidiaries:**

Transactions between Zenith Bank Plc and its subsidiaries, which are eliminated on consolidation are not separately disclosed in the consolidated financial statements.

The Group's effective interests and investments in subsidiaries as at 30 September 2023 are shown below.

Entity	Effective Holding %	Nominal share capital held
Zenith Bank (Ghana) Limited	99.42	7,066
Zenith Bank (UK) Limited	100.00	21,482
Zenith Bank (Sierra Leone) Limited	99.99	2,059
Zenith Bank (The Gambia ) Limited	99.96	1,038
Zenith Pension Custodians Limited	99.00	1,980
Zenith Nominees Limited	99.00	1,000
	-	<b>34,625</b>



## Notes to the interim consolidated and separate financial statements

### 42. Group subsidiaries and related party transactions (continued)

#### Key management personnel

Key management personnel is defined as the Group's executive and non-executive directors, including their family members and any entity over which they exercise control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Group.

#### Key management compensation

	Group 30 September 2023	Group 30 September 2022	Group 31 December 2022
Salaries and other short-term benefits	2,619	1,508	1,861
Retirement benefit cost	15	58	3,279
Allowances	294	183	602
<b>At the end of the period/year</b>	<b>2,928</b>	<b>1,749</b>	<b>5,742</b>

#### Loans and advances to key management personnel

At start of the year	3,245	2,902	2,902
Granted during the year	272	573	445
Repayment during the year	(629)	(192)	(102)
<b>At end of the period/year</b>	<b>2,888</b>	<b>3,283</b>	<b>3,245</b>

#### Interest earned

Loans to key management personnel include mortgage loans and other personal loans. The loans are repayable from various repayment cycles, ranging from monthly to annually over the tenor and have an average interest rate of 4%. Loans granted to key management personnel are performing.

#### Group In millions of Naira 30 September 2023

##### Name of company

	Loans	Deposits	Interest received
Directors	2,024	1,990	51
Quantum Fund Management	-	58	-
Zenith General Insurance Company Limited	-	510	-
Cyberspace Network	-	388	-
Zenith Trustees Ltd	-	3	-
	<b>2,024</b>	<b>2,949</b>	<b>51</b>

## Notes to the interim consolidated and separate financial statements

## Group

In millions of Naira

31 December 2022

## Name of company

	Loans	Deposits	Interest received
Directors	1,588	3,298	69
Quantum Fund Management	-	10	-
Zenith General Insurance Company Limited	-	1,026	-
Cyberspace Network	-	763	-
Zenith Trustees Ltd	-	7	-
Oviation Limited	-	3,497	-
Sirius Lumina Ltd	-	1	-
<b>At end of the year</b>	<b>1,588</b>	<b>8,602</b>	<b>69</b>

Loans granted to related parties are secured over real estate and other assets of the respective borrowers.

**43. Acceptances and guarantees****a) Legal proceedings**

The Group is presently involved in several litigation suits in the ordinary course of business. The total amount claimed in the cases against the Group is estimated at N954 billion (31 December 2022: N967 billion). The actions are being contested and the Directors are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the Group and are not aware of any other pending or threatened claims and litigations.

In arriving at this conclusion, the Group has relied on evidence and recommendations from its internal litigation group and its team of external solicitors.

**b) Capital commitments**

At the reporting date, the Group had capital commitments amounting to N1,131 million (31 December 2022: N630 million ) in respect of authorized and contracted capital projects.

## Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2023	30 September 2022	31 December 2022	30 September 2023	30 September 2022	31 December 2022

## 43. Acceptances and guarantees (continued)

## c) Confirmed credits and other obligations on behalf of customers

In the normal course of business the group is a party to financial instruments with off-balance sheet risk. These instruments are issued to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

## In millions of Naira

Performance bonds and guarantees	583,269	415,225	384,382	583,269	361,934	349,742
Usance (see note ii below)	261,429	205,050	276,481	261,429	205,050	276,481
Letters of credit (see note ii below)	452,992	544,745	363,355	452,992	422,206	279,791
	<b>1,297,690</b>	<b>1,165,020</b>	<b>1,024,218</b>	<b>1,297,690</b>	<b>989,190</b>	<b>906,014</b>
Assets under custody(see note below)	7,299,098	6,114,600	6,265,755	7,299,098	6,114,600	6,265,755

- i. Letters of credit are agreements to lend to customers in the future, subject to certain conditions such commitments are either made for a fixed year, or have no specific maturity dates, but are cancellable by the group (as lender) subject to notice to notice requirements. These letters of credit are provided at market related interest rates and cannot be settled net in cash .
- ii. Usance and letters of credit are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity dates, but are cancellable by the Group (as lender) subject to notice requirements. These Letters of credit are provided at market-related interest rates. Usance and letters of credit are secured by different types of collateral similar to those accepted for actual credit facilities.
- iii. The amount of N7,299 billion (31 December 2022: N6,266 billion) represents the total pension assets under custody held by the Bank's subsidiary, Zenith Pensions Custodian Limited under the latter's custodial business. Included in the amount above is N117.3 billion (31 December 2022: N114.4 billion) which represents the amount of the Group's guarantee for the assets held by the subsidiary as required by the National Pensions Commission of Nigeria. Aside from the Guarantee on the pension asset held by our subsidiary, Zenith Pension Custodian Limited, the Group does not have any contingent liabilities in respect of related parties.

## 44. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash and non-restricted balances with central banks, treasury bills and other eligible bills, operating account balances with other banks, amount due from other banks and short-term government securities.

Cash and balances with central banks (less mandatory reserve deposits)	519,178	177,194	452,136	335,907	154,261	407,487
Treasury bills (3 months tenor) (see note 23)	272,136	1,179,856	232,218	265,243	1,147,684	232,218
Due from other banks	1,912,202	551,887	1,256,404	2,045,300	661,649	1,017,481
	<b>2,703,516</b>	<b>1,908,937</b>	<b>1,940,758</b>	<b>2,646,450</b>	<b>1,963,594</b>	<b>1,657,186</b>