



Zenith Bank Plc

Group Unaudited Results for the Period ended 31 March 2022

ZENITH BANK PLC RELEASES UNAUDITED Q1 2022 RESULTS

LAGOS, NIGERIA – 28 April 2022 – Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its unaudited results for period ended 31 March 2022.

Financial Highlights

| Income statement | | | |
|--------------------------------------|------------------|------------------|-----------------|
| <i>In millions of Naira</i> | 31-Mar-22 | 31-Mar-21 | % Change |
| Gross earnings | 191,523 | 157,309 | 22% |
| Interest and similar income | 126,384 | 101,176 | 25% |
| Interest and similar expense | (25,845) | (18,008) | 44% |
| Net interest income | 100,539 | 83,168 | 21% |
| Non-interest income | 57,230 | 51,201 | 12% |
| Operating expenses | (83,019) | (69,492) | 19% |
| Profit before tax | 67,991 | 61,022 | 11% |
| Profit after tax | 58,198 | 53,060 | 10% |
| Earnings per share | 1.85 | 1.69 | 9% |
| Balance sheet | | | |
| <i>In millions of Naira</i> | 31-Mar-22 | 31-Dec-21 | % Change |
| Gross Loans | 3,704,725 | 3,501,878 | 6% |
| Customers' deposits | 7,253,795 | 6,472,054 | 12% |
| Total assets | 10,324,269 | 9,447,843 | 9% |
| Shareholders' fund | 1,330,397 | 1,279,662 | 4% |
| Key ratios | | | |
| | 31-Mar-22 | 31-Mar-21 | % Change |
| Return on average equity (ROAE) | 17.8% | 19.2% | -7% |
| Return on average assets (ROAA) | 2.4% | 2.5% | -4% |
| Net interest margin (NIM) | 7.3% | 6.0% | 22% |
| Cost of funds | 1.3% | 1.1% | 18% |
| Cost of risk | 0.8% | 0.5% | 60% |
| Cost to income | 55.0% | 53.2% | 3% |
| | 31-Mar-22 | 31-Dec-21 | % Change |
| Liquidity ratio - Group | 70.2% | 71.6% | -2% |
| Liquidity ratio - Bank | 61.3% | 61.9% | -1% |
| Loan to deposit ratio - Group | 51.1% | 52.6% | -3% |
| Loan to deposit ratio - Bank | 57.9% | 61.7% | -6% |
| Capital adequacy ratio (CAR) | 22.1% | 21.1% | 5% |
| Non-performing loan | 4.22% | 4.19% | 1% |
| Coverage ratio | 97.3% | 114.0% | -15% |



The Zenith Bank Group achieved a year-on-year (YoY) growth in gross earnings of 22% from N157.3 billion reported in Q1 2021 to N191.5 billion in Q1 2022. This double-digit growth in the topline also spurred our bottom line as the Group recorded an 11% YoY increase in profit before tax, growing from N61 billion in Q1 2021 to N68 billion in Q1 2022. Profit after tax also grew by 10% from N53.1 billion to N58.2 billion over the same period. Topline growth was mainly driven by the growth in interest income, fees on electronic products and trading income.

Strong growth was recorded in Interest income which grew by 25% from N101.2 billion to N126.4 billion YoY in Q1 2022, as risk assets continue to grow with gradual improvement in pricing. Non-interest income grew by 12% from N51.2 billion to N57.2 billion YoY as the Bank continues to deploy its retail strategy thereby acquiring more customers and growing its electronic banking income from the increased volume of transactions across all channels.

In terms of efficiency, our cost-to-income ratio deteriorated slightly from 53.2% to 55.0% in the current period due to the increase in energy costs, rising inflation and increased regulatory costs resulting from the growth in the Bank's balance sheet.

Total assets grew by 9% from N9.45 trillion to N10.32 trillion in Q1 2022, propelled by growth in customers' deposits. Customer deposits grew by 12% from N6.47 trillion in December 2021 to N7.25 trillion in March 2022. Savings account balance which is solely retail grew by over N68 billion and is a validation of our robust customer acquisition strategy and versatile electronic platforms and digital channels.

Loans and advances also grew by 6% from N3.5 trillion in December 2021 to N3.7 trillion in March 2022 boosting the group's interest income and displaying the group's cautious appetite for high-yielding risk assets creation. This development has also helped to boost our net interest margin (NIM) as it improved from 6.0% in March 2021 to 7.3% in the current period. Capital adequacy ratio improved slightly from 21.1% to 22.1% while liquidity ratio declined slightly from 71.6% to 70.2%. Both prudential ratios are still well above regulatory thresholds.

Going forward into the rest of the year, the Group will continue to focus on sustainable growth across all its business segments, deploy technology platforms and digital assets intuitively to serve the needs of its various customers in order to deliver enhanced returns to its stakeholders.



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 September 17, 2004 and was listed on the Nigerian Stock Exchange on October 21, 2004 following a highly successful Initial Public Offering (IPO). Zenith Bank listed on the London Stock Exchange via a non-capital raising GDR on March 21, 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