





# ZENITH BANK PLC

RC: 150224



## HEAD OFFICE

 Zenith Heights, Plot 84/87 Ajose Adeogun Street  
 P.O.Box 75315, Victoria Island, Lagos.  
 Tel: (01) 2787000, 2927000, 4647000  
 [www.zenithbank.com](http://www.zenithbank.com) | SWIFT: ZEIBNGLA

## CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31 2021

### THE BOARD:

**Chairman:** Jim Ovia, CON

**Group Managing Director/CEO:** Ebenezer Onyeagwu | **Deputy Managing Director:** Adaora Umeoji

**Executive Directors:** Ahmed Umar Shuaib | Temitope Fasoranti | Dennis Olisa | Henry Oroh

**Non-Executives:** Mr. Jeffrey Efeyini | Prof. Chukuka Enwemeka | Mr. Gabriel Ukpeh | Engr. Mustafa Bello | Dr Al-Mujtaba Abubakar

**Index**

---

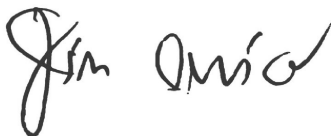
<b>Index</b>	<b>Page</b>
Certification pursuant to section 60(2) of Investment and Securities Act No.29 of 2007	2
Statements of profit or loss and other comprehensive income	3 - 4
Statements of financial position	5 - 6
Statements of cash flows	7 - 8
Statements of changes in equity	9 - 10
Notes to the consolidated and separate interim financial statements	11 - 41

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

---

We the undersigned hereby certify the following with regards to our financial report for the period ended March 31, 2021 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 subsidiary 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 .



---

**Jim Ovia**

Chairman

FRC/2013/CIBN/00000002406



---

**Ebenezer Onyeagwu**

Group Managing Director/CEO

FRC/2013/ICAN/00000003788

**Statements of profit or loss and other comprehensive income**

	Notes	Group			Bank		
		3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
In millions of Naira							
<b>Gross earnings</b>		<b>157,309</b>	<b>166,814</b>	<b>662,251</b>	<b>132,147</b>	<b>143,402</b>	<b>564,687</b>
Interest and similar income	13	101,176	114,330	420,813	80,476	93,793	342,492
Interest and similar expense	14	(18,008)	(32,829)	(121,131)	(12,148)	(27,118)	(102,111)
<b>Net interest income</b>		<b>83,168</b>	<b>81,501</b>	<b>299,682</b>	<b>68,328</b>	<b>66,675</b>	<b>240,381</b>
Impairment charge	15	(3,855)	(3,951)	(39,534)	(2,611)	(3,290)	(37,237)
Net interest income after impairment charge		79,313	77,550	260,148	65,717	63,385	203,144
Net fee and commission income	16	31,420	15,439	79,332	26,536	13,108	61,417
Trading income	17	9,846	15,467	121,678	9,838	15,450	118,601
Other income	18	9,935	15,733	50,735	10,623	15,471	50,450
Depreciation of property and equipment	33	(5,946)	(6,271)	(25,125)	(5,312)	(5,601)	(22,686)
Amortisation of intangible assets	34	(743)	(788)	(3,537)	(639)	(705)	(2,776)
Personnel expenses		(18,554)	(18,155)	(79,258)	(14,149)	(14,295)	(61,515)
Operating expenses	19	(44,249)	(40,187)	(148,112)	(41,285)	(37,644)	(136,628)
<b>Profit before tax</b>		<b>61,022</b>	<b>58,788</b>	<b>255,861</b>	<b>51,329</b>	<b>49,169</b>	<b>210,007</b>
Income tax expense	20	(7,962)	(8,262)	(25,296)	(5,182)	(5,500)	(12,155)
<b>Profit after tax</b>		<b>53,060</b>	<b>50,526</b>	<b>230,565</b>	<b>46,147</b>	<b>43,669</b>	<b>197,852</b>
<b>Other comprehensive income:</b>							
<b>Items that will never be reclassified to profit or loss</b>							
Fair value movements on equity instruments		1,387	3,995	16,295	1,387	3,995	16,295
<b>Items that are or may be reclassified to profit or loss</b>							
Foreign currency translation differences		5,698	9,947	15,011	-	-	-
Fair value movements on debt securities		(1,020)	(1,921)	1,981	-	-	-
Income tax relating to fair value movement on debt securities at FVOCI		-	-	(355)	-	-	-
Other comprehensive income/loss for the year, net of tax		6,065	12,021	32,932	1,387	3,995	16,295
<b>Total comprehensive income for the year</b>		<b>59,125</b>	<b>62,547</b>	<b>263,497</b>	<b>47,534</b>	<b>47,664</b>	<b>214,147</b>

**Statements of profit or loss and other comprehensive income**

In millions of Naira	Notes	Group			Bank		
		3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>Profit attributable to:</b>							
Equity holders of the parent		53,023	50,482	230,374	46,147	43,669	197,852
Non-controlling interests		37	44	191	-	-	-
<b>Total comprehensive income attributable to:</b>							
Equity holders of the parent		59,067	62,481	263,277	47,534	47,664	214,147
Non-controlling interests		58	66	220	-	-	-
<b>Earnings per share attributable to equity holders of parent</b>							
Basic and diluted (Naira)	21	1.69	1.61	7.34	1.47	1.39	6.30

## Statements of financial position as at March 31, 2021

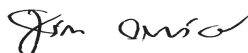
In millions of Naira	Note(s)	Group			Bank		
		31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>Assets</b>							
Cash and balances with central banks	22	1,764,265	1,278,458	1,591,768	1,714,128	1,218,785	1,503,245
Treasury bills	23	1,572,639	787,691	1,577,875	1,323,576	640,831	1,393,421
Asset pledged as collateral	24	447,842	337,645	298,530	447,842	337,645	298,530
Due from other banks	25	560,698	1,008,256	810,494	179,505	753,430	532,377
Derivative assets	26	55,979	125,722	44,496	52,519	125,722	41,729
Loans and advances	27	2,841,478	2,580,784	2,779,027	2,694,298	2,473,092	2,639,797
Investment securities	28	999,697	595,675	996,916	278,876	185,257	333,126
Investments in subsidiaries	29	-	-	-	34,625	34,625	34,625
Deferred tax assets	31	6,251	13,850	5,786	5,525	13,344	4,733
Other assets	32	227,047	197,820	169,967	204,705	188,373	159,625
Property and equipment	33	191,283	186,764	190,170	169,112	166,296	169,080
Intangible assets	34	15,636	15,252	16,243	14,220	13,865	14,699
<b>Total assets</b>		<b>8,682,815</b>	<b>7,127,917</b>	<b>8,481,272</b>	<b>7,118,931</b>	<b>6,151,265</b>	<b>7,124,987</b>
<b>Liabilities</b>							
Customers' deposits	35	5,674,519	4,462,627	5,339,911	4,580,626	3,664,703	4,298,258
Derivative liabilities	30	7,671	38,302	11,076	7,671	38,302	11,076
Current income tax	20	17,445	16,307	11,690	15,091	13,751	9,117
Deferred tax liabilities	31	-	7	-	-	-	-
Other liabilities	36	778,765	968,972	703,292	530,815	962,688	599,464
On-lending facilities	37	387,059	387,179	384,573	387,059	387,179	384,573
Borrowings	38	680,780	286,366	870,080	684,925	294,259	874,090
Debt securities issued	39	44,749	42,215	43,177	44,749	42,215	43,177
<b>Total liabilities</b>		<b>7,590,988</b>	<b>6,201,975</b>	<b>7,363,799</b>	<b>6,250,936</b>	<b>5,403,097</b>	<b>6,219,755</b>

**Statement of Financial Position as at March 31, 2021**

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>Capital and reserves</b>							
Share capital	40	15,698	15,698	15,698	15,698	15,698	15,698
Share premium	41	255,047	255,047	255,047	255,047	255,047	255,047
Retained earnings		488,846	374,049	521,293	336,745	260,656	382,292
Other reserves		331,204	280,328	324,461	260,505	216,767	252,195
<b>Attributable to equity holder of the parent</b>		<b>1,090,795</b>	<b>925,122</b>	<b>1,116,499</b>	<b>867,995</b>	<b>748,168</b>	<b>905,232</b>
Non-controlling interests		1,032	820	974	-	-	-
<b>Total shareholders' equity</b>		<b>1,091,827</b>	<b>925,942</b>	<b>1,117,473</b>	<b>867,995</b>	<b>748,168</b>	<b>905,232</b>
<b>Total liabilities and equity</b>		<b>8,682,815</b>	<b>7,127,917</b>	<b>8,481,272</b>	<b>7,118,931</b>	<b>6,151,265</b>	<b>7,124,987</b>

The unaudited financial statements were approved by the Board of Directors for issue on 29 April, 2021 and signed on its behalf by:

**Jim Ovia, CON (Chairman)**  
FRC/2013/CIBN/00000002406



**Ebenezer Onyeagwu (Group Managing Director and Chief Executive)**  
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 cash flows**

In millions of Naira	Note(s)	Group			Bank		
		31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>Cash flows from operating activities</b>							
Profit after tax for the period		53,060	50,526	230,565	46,147	43,669	197,852
<b>Adjustments for non-cash items:</b>							
<b>Impairment</b>							
Impairment loss on loan and advances	15	3,540	3,493	37,439	2,414	2,886	35,495
Treasury bills, Investment securities, Assets pledged and due from Banks impairment loss/(reversal)	15	96	127	1,392	48	98	1,079
Off balance sheet Impairment loss/(reversal)	15	198	263	(706)	128	263	(706)
On other assets Impairment loss/(reversal)	15	21	68	1,409	21	43	1,369
Unrealised fair value changes in trading bond, bills and derivatives	17	(4,683)	181	(83,476)	(4,675)	181	(81,630)
Depreciation of property and equipment	33	5,946	6,271	25,125	5,312	5,601	22,686
Amortisation of intangible assets	34	743	788	3,537	639	705	2,776
Dividend income	19	-	-	(1,707)	-	-	(5,307)
Foreign exchange revaluation (gain)/ loss		(6,904)	3,123	(43,441)	(7,626)	3,123	(39,668)
Interest income	13	(101,176)	(114,330)	(420,813)	(80,476)	(93,793)	(342,492)
Interest expense	14	18,008	32,829	121,131	12,148	27,118	102,111
Prepaid expenses		8,015	-	-	8,015	-	-
Profit on sale of property and equipment	18	(5)	(76)	(347)	(3)	(76)	(348)
Profit on sale of investment		-	-	(901)	-	-	(901)
Tax expense	20	7,962	8,262	25,296	5,182	5,500	12,155
<b>Changes in operating assets and liabilities:</b>							
Net (increase) in loans and advances		(34,224)	(279,391)	(385,651)	(42,200)	(236,506)	(352,819)
Net (increase) in other assets		(64,805)	(120,493)	(88,605)	(53,116)	(117,004)	(90,079)
Net decrease in treasury bills with maturity greater than 3 months		(565,850)	(12,306)	(164,637)	(501,582)	(34,830)	(149,109)
Net decrease in treasury bills (FVTPL) including bills pledged		26,682	298,353	81,210	27,043	298,822	79,661
Net (increase) in investment securities including bonds pledged		27,238	(586)	(244,193)	77,735	8,093	(51,521)
Net increase in restricted balances (cash reserves)		(29,274)	(273,721)	(650,472)	(41,323)	(273,721)	(609,669)
Net (increase) in due from banks with maturity greater than three months		182,410	234,797	67,918	173,781	234,797	66,725
Net increase in customer deposits		322,756	197,225	960,138	285,570	176,756	761,784
Net increase in other liabilities		74,990	603,107	337,972	(68,362)	574,526	212,884
Net (increase)/decrease in derivative assets		(14,756)	(33,000)	75,193	(14,063)	(33,000)	77,960
Net increase/(decrease) in derivative liabilities		-	23,540	-	-	23,540	-
		<b>(90,012)</b>	<b>629,050</b>	<b>(116,624)</b>	<b>(169,243)</b>	<b>616,791</b>	<b>(149,712)</b>
Interest received		101,969	109,320	340,642	100,768	87,761	303,244
Interest paid		(17,784)	(31,551)	(101,461)	(13,561)	(26,575)	(84,934)
Tax paid	20	(2,672)	(3,649)	(16,746)	-	(497)	(2,678)
VAT paid		-	(41)	-	-	(41)	-
<b>Net cash flows(used in)/generated from operating activities</b>		<b>(8,499)</b>	<b>703,129</b>	<b>105,811</b>	<b>(82,036)</b>	<b>677,439</b>	<b>65,920</b>



**Statement of Cash Flows**

		Group			Bank		
		31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
In millions of Naira							
<b>Cash flows from investing activities</b>							
Purchase of property and equipment	33	(6,960)	(7,002)	(27,194)	(5,519)	(6,472)	(24,923)
Proceeds from sale of property and equipment		327	206	1,113	178	107	593
Purchase of intangible assets	34	(160)	(138)	(2,473)	(160)	(43)	(2,366)
Purchase of equity securities		-	-	901	-	-	901
Dividend received		-	-	1,707	-	-	5,307
<b>Net cash from investing activities</b>		<b>(6,793)</b>	<b>(6,934)</b>	<b>(25,946)</b>	<b>(5,501)</b>	<b>(6,408)</b>	<b>(20,488)</b>
<b>Cash flows from financing activities</b>							
Net inflow from on-lending facilities		2,486	(5,692)	(7,495)	2,486	(5,692)	(7,495)
Net movement in borrowings		(206,514)	(37,831)	518,994	(206,514)	(37,237)	514,991
Dividends paid		(84,771)	(78,491)	(87,910)	(84,771)	(78,491)	(87,910)
Lease liability principal payment		-	(920)	(742)	-	(920)	(684)
<b>Net cash from financing activities</b>		<b>(288,799)</b>	<b>(122,934)</b>	<b>422,847</b>	<b>(288,799)</b>	<b>(122,340)</b>	<b>418,902</b>
<b>Increase in cash and cash equivalent</b>		<b>(304,091)</b>	<b>573,261</b>	<b>502,712</b>	<b>(376,336)</b>	<b>548,691</b>	<b>464,334</b>
Cash at the beginning of the year		1,208,520	670,715	670,715	882,683	388,853	388,853
Effect of exchange rate movement on cash balances		10,181	8,067	35,093	5,687	-	29,496
<b>Cash and cash equivalent at the end of the year</b>	45	<b>914,610</b>	<b>1,252,043</b>	<b>1,208,520</b>	<b>512,034</b>	<b>937,544</b>	<b>882,683</b>

## Statements of changes in equity

	Attributable to equity holders of the Bank								Non-controlling interest	Total equity	
	Share capital	Share premium	Foreign currency translation reserve	Revaluation reserve	Statutory reserve	SMEIS reserve	Credit risk reserve	Retained earnings			Total
In millions of Naira											
<b>Group</b>											
<b>Balance at 1 January, 2021</b>	<b>15,698</b>	<b>255,047</b>	<b>45,058</b>	<b>42,101</b>	<b>231,307</b>	<b>3,729</b>	<b>2,266</b>	<b>521,293</b>	<b>1,116,499</b>	<b>974</b>	<b>1,117,473</b>
Profit for the period	-	-	-	-	-	-	-	53,023	53,023	37	53,060
Foreign currency translation differences	-	-	5,677	-	-	-	-	-	5,677	21	5,698
Fair value movements on equity instruments	-	-	-	1,387	-	-	-	-	1,387	-	1,387
Fair value movements on debt securities	-	-	-	(1,020)	-	-	-	-	(1,020)	-	(1,020)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>5,677</b>	<b>367</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>53,023</b>	<b>59,067</b>	<b>58</b>	<b>59,125</b>
Transfer between reserves	-	-	-	-	1,244	-	(545)	(699)	-	-	-
Dividends	-	-	-	-	-	-	-	(84,771)	(84,771)	-	(84,771)
Transactions with non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2021</b>	<b>15,698</b>	<b>255,047</b>	<b>50,735</b>	<b>42,468</b>	<b>232,551</b>	<b>3,729</b>	<b>1,721</b>	<b>488,846</b>	<b>1,090,795</b>	<b>1,032</b>	<b>1,091,827</b>
<b>Balance at 1 January, 2020</b>	<b>15,698</b>	<b>255,047</b>	<b>30,076</b>	<b>24,180</b>	<b>197,395</b>	<b>3,729</b>	<b>2,059</b>	<b>412,948</b>	<b>941,132</b>	<b>754</b>	<b>941,886</b>
Profit for the period	-	-	-	-	-	-	-	50,482	50,482	44	50,526
Foreign currency translation differences	-	-	9,925	-	-	-	-	-	9,925	22	9,947
Fair value movements on equity securities	-	-	-	3,995	-	-	-	-	3,995	-	3,995
Fair value movements on debt instruments	-	-	-	(1,921)	-	-	-	-	(1,921)	-	(1,921)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>9,925</b>	<b>2,074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,482</b>	<b>62,481</b>	<b>66</b>	<b>62,547</b>
Transfer between reserves	-	-	-	-	10,684	-	206	(10,890)	-	-	-
Dividends	-	-	-	-	-	-	-	(78,491)	(78,491)	-	(78,491)
Acquisition of NCI without change in control	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at 31 March, 2020</b>	<b>15,698</b>	<b>255,047</b>	<b>40,001</b>	<b>26,254</b>	<b>208,079</b>	<b>3,729</b>	<b>2,265</b>	<b>374,049</b>	<b>925,122</b>	<b>820</b>	<b>925,942</b>

**Consolidated and separate statements of changes in equity**

In millions of Naira	Share capital	Share premium	Revaluation reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings	Total equity
<b>Bank</b>								
<b>Balance at 1 January, 2021</b>	<b>15,698</b>	<b>255,047</b>	<b>40,023</b>	<b>208,443</b>	<b>3,729</b>	-	<b>382,292</b>	<b>905,232</b>
Profit for the year	-	-	-	-	-	-	46,147	46,147
Fair value movement on equity instruments	-	-	1,387	-	-	-	-	1,387
<b>Total comprehensive income for the period</b>	-	-	<b>1,387</b>	-	-	-	<b>46,147</b>	<b>47,534</b>
Transfer between reserves	-	-	-	6,923	-	-	(6,923)	-
Dividends	-	-	-	-	-	-	(84,771)	(84,771)
<b>Balance at March 31, 2021</b>	<b>15,698</b>	<b>255,047</b>	<b>41,410</b>	<b>215,366</b>	<b>3,729</b>	-	<b>336,745</b>	<b>867,995</b>
<b>Balance as at 1 January, 2020</b>	<b>15,698</b>	<b>255,047</b>	<b>23,728</b>	178,765	3,729	-	302,028	<b>778,995</b>
Profit for the period	-	-	-	-	-	-	43,669	43,669
Fair value movement on equity instruments	-	-	3,995	-	-	-	-	3,995
<b>Total comprehensive income for the period</b>	-	-	<b>3,995</b>	-	-	-	<b>43,669</b>	<b>47,664</b>
Transfer between reserves	-	-	-	6,550	-	-	(6,550)	-
Dividends	-	-	-	-	-	-	(78,491)	(78,491)
<b>Balance at 31 March, 2020</b>	<b>15,698</b>	<b>255,047</b>	<b>27,723</b>	<b>185,315</b>	<b>3,729</b>	-	<b>260,656</b>	<b>748,168</b>

## **Notes to the consolidated and separate interim financial statements**

---

### **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 Stock Exchange.

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 3 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 March 31, 2021 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 the Consolidated Financial Statements for the year ended 31 December 2020, prepared in accordance with the International Financial Reporting Standards (refer to Note "Basis of preparation" presented in the Statement of Accounting Policies (Notes 1 and 2 of December 31, 2020 Financial Statements)).

Provisions for income taxes have been calculated on the basis of the estimated annual effective tax rate applied to the pre-tax profit. However, where a lower tax rate is applicable, the current rate is adjusted. The assessment of the annual effective tax rate takes into consideration any anticipated deferred tax assets not previously recognized.

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 Bank and its subsidiaries 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**

Cumulative loans and advances to customers of N657 billion which are neither past due nor impaired have been renegotiated.

## Notes to the Consolidated And Separate Interim Financial Statements

### 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, plant and equipment was impaired and there were no reversals of previous impairment charges in the current year.

### 10. Litigation settlements

There was litigation settlement in the period March 31, 2021 amounting to N1.3 million (December 31, 2020: N67.91million).

### 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 year under review.

### 12. Segment

The group's operations are primarily organised on the basis of its geographic coverage which are: Nigeria, Rest of Africa and Europe.

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidated
		Africa	Europe			
<b>In millions of Naira</b>						
<b>March 31, 2021</b>						
Revenue:						
Derived from external customers	134,667	18,338	4,304	157,309	-	157,309
Derived from other business segments	-	9	7	16	(16)	-
<b>Total revenue*</b>	<b>134,667</b>	<b>18,347</b>	<b>4,311</b>	<b>157,325</b>	<b>(16)</b>	<b>157,309</b>
Interest expense	(12,148)	(5,224)	(652)	(18,024)	16	(18,008)
Impairment charge for credit losses	(2,611)	(539)	(705)	(3,855)	-	(3,855)
Operating expenses	(66,168)	(6,456)	(1,800)	(74,424)	-	(74,424)
Profit before tax	53,740	6,128	1,154	61,022	-	61,022
Tax expense	(5,745)	(2,180)	(37)	(7,962)	-	(7,962)
<b>Profit after tax</b>	<b>47,995</b>	<b>3,948</b>	<b>1,117</b>	<b>53,060</b>	<b>-</b>	<b>53,060</b>

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidated
		Africa	Europe			
<b>In millions of Naira</b>						
<b>March 31, 2021</b>						
Capital expenditure**	6,435	597	88	7,120	-	7,120
Identifiable assets	7,149,466	639,934	971,386	8,760,786	77,971	8,682,815
Identifiable liabilities	6,253,976	521,367	858,986	7,634,329	43,341	7,590,988

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

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

**Notes to the Consolidated And Separate Interim Financial Statements**

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidated
		Africa	Europe			
<b>In millions of Naira</b>						
<b>31 March, 2020</b>						
Revenue:						
Derived from external customers	145,552	16,481	4,781	166,814	-	166,814
Derived from other business segments	340	15	-	355	(355)	-
<b>Total revenue*</b>	<b>145,892</b>	<b>16,496</b>	<b>4,781</b>	<b>167,169</b>	<b>(355)</b>	<b>166,814</b>
Interest expense	(27,118)	(4,950)	(1,116)	(33,184)	355	(32,829)
Impairment charge for credit losses	(3,290)	(110)	(551)	(3,951)	-	(3,951)
Operating expenses	(63,790)	(4,703)	(2,753)	(71,246)	-	(71,246)
Profit before tax	51,694	6,733	361	58,788	-	58,788
Tax expense	(6,052)	(2,098)	(112)	(8,262)	-	(8,262)
<b>Profit after tax</b>	<b>45,642</b>	<b>4,635</b>	<b>249</b>	<b>50,526</b>	<b>-</b>	<b>50,526</b>
<b>In millions of Naira</b>						
<b>December 31, 2020</b>						
Capital expenditure**	29,467	2,381	401	32,249	-	32,249
Identifiable assets	7,153,478	605,879	920,522	8,679,879	(198,607)	8,481,272
Identifiable liabilities	6,222,600	494,943	810,233	7,527,776	(163,977)	7,363,799

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

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

**Notes to the Consolidated and separate Interim financial statements**

In millions of Naira	Group			Bank		
	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>13. Interest and similar income</b>						
Loans and advances to customers	64,667	67,540	250,812	58,450	64,272	236,064
Treasury bills	10,108	15,305	53,797	5,455	8,559	31,147
Government and other bonds	22,018	20,434	81,511	11,863	11,597	41,781
Commercial Papers	85	29	553	85	29	553
Placement with banks and discount houses	3,379	8,888	26,398	3,704	7,202	25,205
Income on promissory notes	919	2,134	7,742	919	2,134	7,742
	<b>101,176</b>	<b>114,330</b>	<b>420,813</b>	<b>80,476</b>	<b>93,793</b>	<b>342,492</b>
<b>14. Interest and similar expense</b>						
Current accounts	2,551	2,237	29,657	1,837	1,714	26,997
Savings accounts	2,308	5,586	22,130	2,237	5,531	21,888
Time deposits	4,744	14,043	29,274	884	10,714	10,806
Borrowed funds	8,405	10,963	40,070	7,190	9,159	42,420
	<b>18,008</b>	<b>32,829</b>	<b>121,131</b>	<b>12,148</b>	<b>27,118</b>	<b>102,111</b>
<b>15. Impairment charge</b>						
Other non-financial assets	21	68	43	21	43	43
Loans and advances (See note 27)	3,540	3,493	37,439	2,414	2,886	35,495
Impairment Charge on Investments securities	2	3	217	2	3	217
Off balance sheet	198	263	(706)	128	263	(706)
Impairment on placement	60	83	(83)	40	83	(83)
Treasury bills	31	35	972	3	6	659
Other financial assets	-	-	1,366	-	-	1,326
Asset Pledged as Collateral	3	6	286	3	6	286
	<b>3,855</b>	<b>3,951</b>	<b>39,534</b>	<b>2,611</b>	<b>3,290</b>	<b>37,237</b>

**Notes to the Consolidated and separate Interim financial statements**

In millions of Naira	Group			Bank		
	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>16. Net income on Fee and commission</b>						
Credit related fees	8,067	3,899	13,913	6,855	3,634	9,110
Current account maintenance	7,882	5,729	24,479	7,193	5,180	21,988
Income from financial guarantee contracts issued	1,735	1,812	6,802	1,626	1,618	6,300
Fees on electronic products	11,133	5,442	27,078	10,689	5,072	25,559
Foreign currency transaction fees and commission	511	205	2,135	412	234	1,685
Asset based fees	2,130	782	7,612	-	-	-
Auction fees income	46	131	524	46	131	524
Corporate finance fees	100	113	148	(2)	20	92
Foreign withdrawal charges	2,193	1,719	8,061	2,193	1,719	8,061
Commission on agency and collection services	2,555	1,452	12,472	2,198	1,080	11,059
	<u>36,352</u>	<u>21,284</u>	<u>103,224</u>	<u>31,210</u>	<u>18,688</u>	<u>84,378</u>
Fees and commission expense	(4,932)	(5,845)	(23,892)	(4,674)	(5,580)	(22,961)
	<u><b>31,420</b></u>	<u><b>15,439</b></u>	<u><b>79,332</b></u>	<u><b>26,536</b></u>	<u><b>13,108</b></u>	<u><b>61,417</b></u>



**Notes to the Consolidated and separate Interim financial statements**

In millions of Naira	Group			Bank		
	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>17. Trading income</b>						
Derivatives (loss)/income	132	830	(15,867)	132	830	(15,867)
Treasury bill trading income	14,542	14,818	123,097	14,534	14,801	123,029
Bond trading income	(4,828)	(181)	14,448	(4,828)	(181)	11,439
	<b>9,846</b>	<b>15,467</b>	<b>121,678</b>	<b>9,838</b>	<b>15,450</b>	<b>118,601</b>
<b>18. Other operating income</b>						
Recoveries	2,901	-	4,043	2,901	-	4,043
Income on cash handling	125	87	306	93	53	193
Gain on disposal of equity investment	-	891	891	-	891	891
Dividend Income from equity instruments	-	-	1,707	-	-	5,307
Gain on disposal of property and equipment	5	76	347	3	76	348
Foreign currency revaluation gain	6,904	14,679	43,441	7,626	14,451	39,668
	<b>9,935</b>	<b>15,733</b>	<b>50,735</b>	<b>10,623</b>	<b>15,471</b>	<b>50,450</b>

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

**Notes to the Consolidated and separate Interim financial statements**

In millions of Naira	Group			Bank		
	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>19. Operating expenses</b>						
Directors' emolument	406	350	1,674	204	200	1,213
Auditors' remuneration	196	179	786	95	105	380
Deposit insurance premium	3,516	3,505	14,405	3,516	3,505	14,405
Professional fees	1,376	1,298	4,338	1,172	1,055	3,747
Training and development	248	274	1,191	206	207	1,057
Information technology	4,714	3,222	20,440	3,375	3,058	19,572
Operating lease	749	693	664	510	546	13
Advertisement	1,493	1,871	7,656	1,459	1,796	7,411
Outsourcing services	2,908	2,670	11,500	2,908	2,670	11,500
Bank charges	956	1,047	6,635	697	905	6,259
Fuel and maintenance	797	2,383	17,778	1,493	1,785	14,555
Insurances	591	497	1,865	515	455	1,702
Licenses, registrations and subscriptions	1,317	941	6,496	1,160	753	5,815
Travel and hotel expenses	504	628	1,883	208	449	1,102
Printing and stationery	586	612	2,580	402	454	1,872
Security and cash handling	1,150	1,014	3,980	1,019	903	3,545
Fraud and forgery	-	27	360	-	27	360
Fines and penalties	-	-	11	-	-	11
Donations	96	855	3,414	88	824	3,285
AMCON	18,963	15,459	30,948	18,963	15,459	30,948
Telephone and postages	1,993	1,448	3,866	1,849	1,500	3,435
Corporate promotions	779	901	4,179	758	883	4,077
Other expenses	911	313	1,463	688	105	364
	<b>44,249</b>	<b>40,187</b>	<b>148,112</b>	<b>41,285</b>	<b>37,644</b>	<b>136,628</b>

**Notes to the Consolidated and separate Interim financial statements**

In millions of Naira	Group			Bank		
	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>20. Taxation</b>						
<b>Major components of the tax (income) expense</b>						
Minimum tax	-	-	1,479	-	-	1,479
<b>Current</b>						
Corporate tax	7,024	2,624	13,557	4,571	-	-
Dividend tax	-	11,774	-	-	11,774	-
Prior period under provision	-	(4,647)	-	-	(4,647)	-
Information technology tax	493	492	2,103	493	492	2,103
Education tax	908	-	2,072	908	-	2,072
Effect of tax rates in foreign jurisdictions	-	-	-	-	-	-
Police trust fund levy	2	2	11	2	2	11
<b>Total income tax expense</b>	<b>8,427</b>	<b>10,245</b>	<b>19,222</b>	<b>5,974</b>	<b>7,621</b>	<b>5,665</b>
Deferred tax expense	(465)	(1,983)	6,074	(792)	(2,121)	6,490
<b>Total tax expense</b>	<b>7,962</b>	<b>8,262</b>	<b>25,296</b>	<b>5,182</b>	<b>5,500</b>	<b>12,155</b>
b The movement in the current income tax payable balance is as follows:						
At start of the year	11,690	9,711	9,711	9,117	6,627	6,627
Tax paid	(2,672)	(3,649)	(17,243)	-	(497)	(3,175)
Income tax charge	8,427	10,245	19,222	5,974	7,621	5,665
<b>At the end of the year</b>	<b>17,445</b>	<b>16,307</b>	<b>11,690</b>	<b>15,091</b>	<b>13,751</b>	<b>9,117</b>

**Notes to the Consolidated and separate Interim financial statements**

In millions of Naira	Group			Bank		
	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20	3 Months 31-Mar-21	3 Months 31-Mar-20	12 Months 31-Dec-20
<b>21. Earnings per share</b>						
Profit attributable to shareholders of the Bank (N'million)	53,023	50,482	230,374	46,147	43,669	197,852
Number of shares in issue at end of the year (millions)	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
Basic earnings per share (Naira)	1.69	1.61	7.34	1.47	1.39	6.30

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>22. Cash and balances with central banks</b>						
Cash	176,208	62,024	104,544	167,044	41,199	66,834
Operating accounts with central banks	147,361	181,763	75,802	135,142	142,915	65,792
Mandatory reserve deposits with central bank	1,360,007	953,982	1,330,733	1,331,253	953,982	1,289,930
Cash requirement special intervention reserve	80,689	80,689	80,689	80,689	80,689	80,689
	<b>1,764,265</b>	<b>1,278,458</b>	<b>1,591,768</b>	<b>1,714,128</b>	<b>1,218,785</b>	<b>1,503,245</b>

Mandatory reserve deposits with central banks represents a percentage of customers' 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)	480,632	503,835	698,493	479,969	503,369	698,199
Treasury bills (Amortized cost)	1,093,643	284,454	880,957	844,286	137,485	695,898
Treasury bill (Amortized cost) impairment allowance	(1,636)	(598)	(1,575)	(679)	(23)	(676)
	<b>1,572,639</b>	<b>787,691</b>	<b>1,577,875</b>	<b>1,323,576</b>	<b>640,831</b>	<b>1,393,421</b>
Treasury bills less than 3 months maturity	-	-	396,924	-	-	396,924

**24. Assets pledged as collateral**

Treasury bills pledged as collateral	-	-	1,962	-	-	1,962
Bonds pledged as collateral	135,495	128,995	117,290	135,495	128,995	117,290
Treasury bills under repurchase agreement	312,705	109,600	122,870	312,705	109,600	122,870
Bonds under repurchase agreement	-	99,125	56,763	-	99,125	56,763
Assets pledged impairment allowance	(358)	(75)	(355)	(358)	(75)	(355)
	<b>447,842</b>	<b>337,645</b>	<b>298,530</b>	<b>447,842</b>	<b>337,645</b>	<b>298,530</b>

The total financial assets recognised in the statement of financial position that has been pledged as collateral for liabilities as at March 31, 2021 and 31 December, 2020 as shown above. 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 consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>25. Due from other banks</b>						
Current balances with banks within Nigeria	-	8,876	-	-	-	-
Current balances with banks outside Nigeria	285,400	368,599	333,466	126,630	341,351	305,872
Placements with banks and discount houses	275,417	631,006	477,086	52,974	412,304	226,563
Placement Impairment allowance	(119)	(225)	(58)	(99)	(225)	(58)
	<b>560,698</b>	<b>1,008,256</b>	<b>810,494</b>	<b>179,505</b>	<b>753,430</b>	<b>532,377</b>
<b>26. Derivative assets</b>						
Forward contracts (fair value)	51,634	111,414	34,634	49,011	111,414	31,867
Futures contracts (fair value)	4,345	14,308	9,862	3,508	14,308	9,862
	<b>55,979</b>	<b>125,722</b>	<b>44,496</b>	<b>52,519</b>	<b>125,722</b>	<b>41,729</b>

**Non-hedging derivative assets and liabilities**

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 valuation techniques. 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.

**Notes to the Consolidated And Separate Interim Financial Statements**

In Millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>27. Loans and advances to customers</b>						
Overdrafts	229,100	250,173	248,003	211,599	234,549	230,288
Term loans	2,182,646	2,002,019	2,142,727	2,045,459	1,903,576	2,013,763
On-lending facilities	572,520	487,693	528,612	572,520	487,693	528,612
Gross loans and advances to customers	2,984,266	2,739,885	2,919,342	2,829,578	2,625,818	2,772,663
Less: Allowances for impairment	(142,788)	(159,101)	(140,315)	(135,280)	(152,726)	(132,866)
<b>Net loans and advances to customers</b>	<b>2,841,478</b>	<b>2,580,784</b>	<b>2,779,027</b>	<b>2,694,298</b>	<b>2,473,092</b>	<b>2,639,797</b>

## Notes to the Consolidated And Separate Interim Financial Statements

## 27. Loans and advances to customers (continued)

## GROUP

In Millions of Naira	12 Month ECL	Lifetime ECL Not Credit- impaired	Lifetime ECL Credit-Impaired	March 31,	12 Month ECL	Lifetime ECL Not Credit- impaired	Lifetime ECL Credit- Impaired	31 December
				2021 Total				2020 Total
Loans and advances to customer's at amortised cost								
Balance at 1 January	23,400	8,704	108,211	140,315	29,621	16,084	111,089	156,794
Transfer to 12-month ECL	50	(32)	(18)	-	1,091	(250)	(841)	-
Transfer to lifetime ECL not credit-impaired	(283)	502	(219)	-	(8,503)	8,949	(446)	-
Transfer to lifetime ECL credit-impaired	(101)	(205)	306	-	152	3,847	(3,999)	-
Net remeasurement of loss allowance	1,109	407	1,974	3,490	1,039	(19,926)	56,326	37,439
New financial assets originated or purchased	50	-	-	50	-	-	-	-
Write-offs and recoveries	-	-	-	-	-	-	(53,808)	(53,808)
Foreign exchange and other movements	-	-	(1,067)	(1,067)	-	-	(110)	(110)
Closing balance	<b>24,225</b>	<b>9,376</b>	<b>109,187</b>	<b>142,788</b>	<b>23,400</b>	<b>8,704</b>	<b>108,211</b>	<b>140,315</b>
Gross amount	2,201,473	591,402	191,391	2,984,266	2,153,579	578,537	187,226	2,919,342



## Notes to the Consolidated And Separate Interim Financial Statements

## 27. Loans and advances to customers (continued)

## BANK

In Millions of Naira				March 31, 2021				31 December 2020
	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 Customer's at Amortised Cost								
Balance at 1 January	16,931	8,702	107,233	132,866	27,143	14,276	109,760	151,179
Transfer to 12-month ECL	33	(21)	(12)	-	1,091	(250)	(841)	-
Transfer to lifetime ECL not credit-impaired	(189)	335	(146)	-	(8,503)	8,949	(446)	-
Transfer to lifetime ECL credit-impaired	(67)	(137)	204	-	152	3,847	(3,999)	-
Net remeasurement of loss allowance	450	303	1,632	2,385	(2,952)	(18,120)	56,566	35,494
New financial assets originated or purchased	29	-	-	29	-	-	-	-
Write-offs							(53,807)	(53,807)
Closing Balance	<b>17,187</b>	<b>9,182</b>	<b>108,911</b>	<b>135,280</b>	<b>16,931</b>	<b>8,702</b>	<b>107,233</b>	<b>132,866</b>
Gross Amount	2,053,301	590,356	185,921	2,829,578	2,012,000	578,481	182,182	2,772,663

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>28. Investment securities</b>						
<b>(a) Analysis of investments</b>						
Debt securities measured at amortised cost	916,563	347,130	466,527	195,725	97,101	199,213
Debt securities FVPL	2,546	19,681	49,277	2,546	18,115	44,933
Debt Securities FVOCI	-	158,836	392,150	-	-	-
Commercial papers measured at amortised cost	-	2,907	9,760	-	2,907	9,760
Equity securities	81,362	67,675	79,975	81,362	67,675	79,975
Impairment allowance (Debt securities measured at amortised cost only)	(774)	(554)	(773)	(757)	(541)	(755)
	<b>999,697</b>	<b>595,675</b>	<b>996,916</b>	<b>278,876</b>	<b>185,257</b>	<b>333,126</b>

**29. Interests in subsidiaries including consolidated structured entities**

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

Name of company	Effective	Effective	Nominal share	Nominal share
	holding	holding	capital held	capital held
	31-Mar-21	31-Dec-20	31-Mar-21	31-Dec-20
Zenith Bank (Ghana) Limited	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 consolidated and separate interim financial statements

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>30. Derivative liabilities</b>						
Forward Contract	4,478	24,545	1,562	4,478	24,545	1,562
Futures Contract	3,193	13,757	9,514	3,193	13,757	9,514
	<b>7,671</b>	<b>38,302</b>	<b>11,076</b>	<b>7,671</b>	<b>38,302</b>	<b>11,076</b>
<b>31. Deferred tax</b>						
Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2020: 30%).						
<b>Deferred tax assets</b>						
<b>Movement in deferred tax asset</b>						
At the start of the year	5,786	11,885	11,860	4,733	11,223	11,223
Deferred tax asset	465	1,965	(6,074)	792	2,121	(6,490)
<b>At the close of the period</b>	<b>6,251</b>	<b>13,850</b>	<b>5,786</b>	<b>5,525</b>	<b>13,344</b>	<b>4,733</b>
<b>Deferred tax liabilities</b>						
At the start of the year	-	25	-	-	-	-
Charge for the year	-	(18)	-	-	-	-
<b>At the close of the year</b>	<b>-</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>32. Other assets</b>						
Prepayments and other non-financial asset	52,616	27,206	20,625	47,801	22,996	16,550
Deposits for shares	-	-	-	720	720	720
Electronic card related receivables	143,008	149,325	115,161	124,352	143,111	107,848
Intercompany receivables	-	-	-	395	253	329
AGSMEIS Receivables	30,996	22,096	30,996	30,996	22,096	30,996
Receivables	2,830	221	5,552	2,734	143	5,454
Less: allowance for impairment	(2,403)	(1,028)	(2,367)	(2,293)	(946)	(2,272)
	<b>227,047</b>	<b>197,820</b>	<b>169,967</b>	<b>204,705</b>	<b>188,373</b>	<b>159,625</b>

## Notes to the Consolidated And Separate Interim Financial Statements

### 33. Property and equipment

#### Group

	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer equipment	Aircraft	Leasehold improvements	Right of use leased asset	Work in progress	Total
<b>Cost</b>										
At start of the period	36,087	64,849	98,103	24,464	36,590	12,600	26,366	24,280	23,939	347,278
Additions	50	824	1,011	246	57	-	258	332	4,182	6,960
Disposals	-	(27)	(546)	(22)	(12)	-	(1,716)	-	-	(2,323)
Reclass from WIP	-	487	562	-	696	-	94	-	(1,839)	-
Reclassification	-	(35)	33	-	(25)	-	61	-	(34)	-
Foreign exchange movements	-	168	(263)	50	(379)	-	(313)	-	-	(737)
<b>At the end of the period</b>	<b>36,137</b>	<b>66,266</b>	<b>98,900</b>	<b>24,738</b>	<b>36,927</b>	<b>12,600</b>	<b>24,750</b>	<b>24,612</b>	<b>26,248</b>	<b>351,178</b>
<b>Accumulated Depreciation</b>										
At start of the period	-	9,014	69,928	18,962	31,195	3,990	20,563	3,456	-	157,108
Charge for the period	-	287	2,946	833	924	315	545	96	-	5,946
Disposals	-	(6)	(429)	(22)	(12)	-	(1,531)	-	-	(2,000)
Reclassification	-	43	36	-	(22)	-	(57)	-	-	-
Foreign exchange movements	-	67	(163)	(145)	(423)	-	(336)	(159)	-	(1,159)
<b>At the end of the period</b>	<b>-</b>	<b>9,405</b>	<b>72,318</b>	<b>19,628</b>	<b>31,662</b>	<b>4,305</b>	<b>19,184</b>	<b>3,393</b>	<b>-</b>	<b>159,895</b>
Net book amount at March 31, 2021	36,137	56,861	26,582	5,110	5,265	8,295	5,566	21,219	26,248	191,283
At 31 December, 2020	36,087	55,835	28,175	5,502	5,395	8,610	5,803	20,824	23,939	190,170

## Notes to the Consolidated And Separate Interim Financial Statements

### 33. Property and equipment (continued)

#### 35.(b) Property and equipment

##### Bank

	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer equipment	Aircraft	Leasehold improvements	Right of use leased asset	Work in progress	Total
Cost										
At start of the period	36,087	55,201	95,151	22,749	34,903	12,600	21,288	16,352	23,097	317,428
Additions	50	72	959	200	42	-	250	-	3,946	5,519
Disposals	-	(14)	(546)	(16)	(10)	-	(64)	-	-	(650)
Reclass from WIP	-	440	515	-	690	-	91	-	(1,736)	-
Reclassification	-	(29)	24	-	(21)	-	60	-	(34)	-
<b>At the end of the period</b>	<b>36,137</b>	<b>55,670</b>	<b>96,103</b>	<b>22,933</b>	<b>35,604</b>	<b>12,600</b>	<b>21,625</b>	<b>16,352</b>	<b>25,273</b>	<b>322,297</b>

##### Accumulated depreciation

	Land	Buildings	Furniture and fixtures	Motor vehicles	Computer equipment	Aircraft	Leasehold improvements	Right of use leased asset	Work in progress	Total
At start of the period	-	8,333	67,911	17,949	29,975	3,990	17,593	2,597	-	148,348
Charge for the period	-	272	2,871	564	809	315	481	-	-	5,312
Disposals	-	(2)	(413)	(16)	(10)	-	(34)	-	-	(475)
Reclassification	-	43	26	-	(17)	-	(52)	-	-	-
<b>At the end of the period</b>	<b>-</b>	<b>8,646</b>	<b>70,395</b>	<b>18,497</b>	<b>30,757</b>	<b>4,305</b>	<b>17,988</b>	<b>2,597</b>	<b>-</b>	<b>153,185</b>
<b>Net book amount at March 31, 2021</b>	<b>36,137</b>	<b>47,024</b>	<b>25,708</b>	<b>4,436</b>	<b>4,847</b>	<b>8,295</b>	<b>3,637</b>	<b>13,755</b>	<b>25,273</b>	<b>169,112</b>
<b>At 31 December, 2020</b>	<b>36,087</b>	<b>46,868</b>	<b>27,240</b>	<b>4,800</b>	<b>4,928</b>	<b>8,610</b>	<b>3,695</b>	<b>13,755</b>	<b>23,097</b>	<b>169,080</b>

## Notes to the Consolidated And Separate Interim Financial Statements

### 34. Intangible assets

#### Computer software

	Group 31-Mar-21	Group 31-Mar-20	Group 31-Dec-20	Bank 31-Mar-21	Bank 31-Mar-20	Bank 31-Dec-20
<b>Cost</b>						
At start of the period/year	35,609	32,472	32,472	29,747	27,381	27,381
Exchange difference	81	262	664	-	-	-
WIP (disposal)/addition	-	(582)	-	-	(582)	-
Additions	160	138	2,473	160	43	2,366
<b>At end of the period/year</b>	<b>35,850</b>	<b>32,290</b>	<b>35,609</b>	<b>29,907</b>	<b>26,842</b>	<b>29,747</b>
<b>Accumulated amortization</b>						
At start of the period/year	19,366	15,975	15,975	15,048	12,272	12,272
Exchange difference	105	275	(146)	-	-	-
Reclassification from PPE	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
Charge for the period/year	743	788	3,537	639	705	2,776
<b>At the end of the period/year</b>	<b>20,214</b>	<b>17,038</b>	<b>19,366</b>	<b>15,687</b>	<b>12,977</b>	<b>15,048</b>
Carrying amount at end of the period/year	15,636	15,252	16,243	14,220	13,865	14,699

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>35. Deposits</b>						
Demand	3,206,076	1,944,150	2,986,724	2,345,755	1,361,745	2,181,524
Savings	1,209,241	764,329	1,155,026	1,164,903	732,940	1,112,914
Term	364,113	523,063	323,149	221,666	418,580	188,480
Domiciliary	895,089	1,231,085	875,012	848,302	1,151,438	815,340
	<b>5,674,519</b>	<b>4,462,627</b>	<b>5,339,911</b>	<b>4,580,626</b>	<b>3,664,703</b>	<b>4,298,258</b>
<b>36. Other liabilities</b>						
Settlement payables	50,351	17,274	55,981	50,434	17,257	56,061
Electronic card related payables	7,014	3,181	16,015	6,892	2,987	15,789
AMCON payable	5,725	7,634	5,725	5,725	7,634	5,725
Due to banks for clean letters of credit	-	101,532	-	-	117,398	-
Managers' cheques	16,876	18,571	19,318	15,909	17,493	18,728
Customer's foreign transactions payables	90,019	318,719	67,284	20,062	308,893	12,014
Off balance sheet ECL allowance	5,030	5,801	4,832	4,960	5,801	4,832
Tax and other collection accounts	6,684	2,386	2,317	6,367	2,114	2,136
Sales and other collections	180,737	256,009	269,709	180,736	256,004	269,711
Deferred income on financial guarantee contracts	760	1,728	1,234	652	1,630	1,234
Unclaimed dividend	29,342	16,907	28,035	29,342	16,907	28,035
Lease liability	24,474	21,972	24,457	17,107	15,908	17,522
Customer deposits for letters of credit	65,697	24,809	50,276	101,402	61,706	86,266
Other payables	296,056	172,449	158,109	91,227	130,956	81,412
	<b>778,765</b>	<b>968,972</b>	<b>703,292</b>	<b>530,815</b>	<b>962,688</b>	<b>599,465</b>



**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>37. On-lending facilities</b>						
This comprises:						
Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme Loan	41,594	39,444	49,469	41,594	39,444	49,469
Bank of Industry (BOI) Intervention Loan	35,383	38,777	35,171	35,383	38,777	35,171
Central Bank of Nigeria (CBN) / Bank of Industry(BOI) - Power & Aviation intervention Funds	6,333	13,600	7,070	6,333	13,600	7,070
CBN MSMEDF Deposit	889	1,140	965	889	1,140	965
FGN SSB Intervention Fund	135,392	135,121	134,115	135,392	135,121	134,115
Excess Crude Loan Facility Deposit	81,855	82,168	81,933	81,855	82,168	81,933
Non-Oil Export Stimulation Facility	31,485	19,085	23,325	31,485	19,085	23,325
Real Sector Support Facility	42,228	43,726	41,902	42,228	43,726	41,902
Paddy Aggregation Scheme (Phase 2) Fund	-	2,503	-	-	2,503	-
Creative Industry Financing Initiative	256	224	256	256	224	256
Maize Aggregation Scheme	-	4,026	-	-	4,026	-
Accelerated Agricultural Development Scheme	11,644	7,365	10,367	11,644	7,365	10,367
	<b>387,059</b>	<b>387,179</b>	<b>384,573</b>	<b>387,059</b>	<b>387,179</b>	<b>384,573</b>

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>38. Borrowings</b>						
Long term borrowing comprise:						
Due to ADB	-	12,401	5,841	-	12,401	5,841
Due to KEXIM	426	14,248	670	426	14,248	670
Due to PROPARCO	1,882	6,319	1,830	1,882	6,319	1,830
Due to AFC	-	62,000	-	-	62,000	-
Due to banks for clean letters of credit	293,105	-	579,087	293,105	-	579,087
Due to ABSA bank	102,062	87,245	100,457	102,062	87,245	100,457
Due to J P Morgan Chase bank	-	38,892	-	-	38,892	-
Due to ICBC (Standard Bank London)	41,068	-	20,159	41,068	-	20,159
Due to AFREXIM	81,748	-	80,293	81,748	-	80,293
Due to IFC	50,689	16,397	53,630	50,689	16,397	53,630
Due to Standard Bank South Africa	-	29,254	-	-	29,254	-
Due to First Abu Dhabi Bank	40,798	-	-	40,798	-	-
Due to Mashreq	69,002	19,610	28,113	69,002	19,610	28,113
Due to Zenith Bank Ghana	-	-	-	4,145	7,893	4,010
	<b>680,780</b>	<b>286,366</b>	<b>870,080</b>	<b>684,925</b>	<b>294,259</b>	<b>874,090</b>
<b>39. Debt securities issued</b>						
Due to Euro bond holders	44,749	42,215	43,177	44,749	42,215	43,177
	<b>44,749</b>	<b>42,215</b>	<b>43,177</b>	<b>44,749</b>	<b>42,215</b>	<b>43,177</b>

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>40. Share capital</b>						
<b>Authorised</b>						
40,000,000,000 Ordinary shares of 50k each (December 2020:40,000,000,000)	20,000	20,000	20,000	20,000	20,000	20,000
.						
<b>Issued</b>						
31,396,493,786 ordinary shares of 50k each (December 2020:31,396,493,786)	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
Share premium	255,047	255,047	255,047	255,047	255,047	255,047
	<b>270,745</b>	<b>270,745</b>	<b>270,745</b>	<b>270,745</b>	<b>270,745</b>	<b>270,745</b>

**Notes to the consolidated and separate interim financial statements**

In millions of Naira	Group			Bank		
	31-Mar-21	31-Mar-20	31-Dec-20	31-Mar-21	31-Mar-20	31-Dec-20
<b>41. Share premium</b>						
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:

Share premium: Premiums from the issue of shares are reported in share premium.

Retained earnings: Retained earnings comprise the undistributed profits which have not been reclassified to the other reserves noted below.

Statutory reserve: Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by section 16(1) of the Bank and Other Financial Institutions Act of 1991 (amended), an appropriation of 30% of profit after tax is 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.

SMIEIS reserve: The SMIEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of their 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 (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax for the first 5 years and shall thereafter reduce to 5% of profit after tax. The small and medium scale industries equity investment scheme reserves are non-distributable.

Revaluation reserve: Comprises fair value movements on equity instruments which the Bank has elected to present through the Other Comprehensive Income.

Foreign currency translation reserve: Comprises exchange differences resulting from the translation to Naira of the results and financial position of entities within the group that have a functional currency other than Naira.

Statutory reserve for credit risk: the CBN requires the Bank to create a reserve for the difference between impairment charge determined in line with the principles of IFRS and provisions for loan losses determined in line with the prudential guidelines issued by the CBN, where the latter is greater. This reserve is not available for distribution to shareholders.

**42. 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 N1 billion and N684 million respectively (2020: N936 million and N673 million).

## Notes to the Consolidated And Separate Interim Financial Statements

---

### 43. Related party transactions

#### Parent:

Zenith Bank Plc (incorporated in Nigeria) is the ultimate parent company of the Group.

#### 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 March 31, 2021 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
<b>Domestic / non-banking subsidiaries:</b>		
Zenith Pension Custodians Limited	99.00 %	1,980
Zenith Nomi nees Limited	99.00 %	1,000
	-	<b>34,625</b>

## Notes to the Consolidated And Separate Interim Financial Statements

---

### 43. 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

##### In millions of Naira

Salaries and other short-term benefits  
 Retirement benefit cost  
 Allowances

##### At end of of the period/year

	Group 31-Mar-21	Group 31-Mar-20	Group 31-Dec-20
	451	504	1,576
	7	17	23
	117	84	409
	<b>575</b>	<b>605</b>	<b>2,008</b>

#### Loans and advances

At start of the period/year  
 Granted during the period/year  
 Repayment during the period/year

##### At end of of the period/year

	1,797	1,764	1,764
	34	204	366
	(24)	(140)	(333)
	<b>1,807</b>	<b>1,828</b>	<b>1,797</b>

## Notes to the Consolidated And Separate Interim Financial Statements

### 43. Related party transactions (continued)

#### Interest earned

Loans to key management personnel include mortgage loans and other personal loans which are given under terms that are no more favourable than those given to other staff. Interest earned on loans to directors for the Group and the Bank is N16 million. The mortgage loans are secured by the underlying assets. All other loans are unsecured.

<b>Group</b> <b>March 31, 2021</b> <b>In millions of Naira</b> <b>Name of company / Individual</b>	<b>Loans</b>	<b>Deposits</b>	<b>Interest received</b>	<b>Interest paid</b>	<b>Transaction with Zenith Bank</b>
Sirius Lumina Ltd	-	1	-	-	-
Zenith General Insurance Company	-	814	-	-	395
Zenith Trustee Limited	-	1	-	-	-
Directors	1,767	4,331	57	38	-
Cyberspace Network	-	-	-	-	1,638
Quantum Fund Management	-	125	-	-	-
Ovation Ltd	-	844	-	-	-
<b>At end of of the year</b>	<b>1,767</b>	<b>6,116</b>	<b>57</b>	<b>38</b>	<b>2,033</b>

<b>Group</b> <b>31 March 2020</b> <b>In millions of Naira</b> <b>Name of company / Individual</b>	<b>Loans</b>	<b>Deposits</b>	<b>Interest received</b>	<b>Interest paid</b>	<b>Transaction with Zenith Bank</b>
Zenith General Insurance Company	-	807	-	-	369
Zenith Trustee Limited	-	1	-	-	-
Directors Deposits	1,759	1,236	16	5	-
Cyberspace Network	-	2	-	-	348
Quantum Fund Management	-	15	-	-	-
Ovation ltd	-	2,354	-	-	-
<b>At end of of the year</b>	<b>1,759</b>	<b>4,415</b>	<b>16</b>	<b>5</b>	<b>717</b>

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

## Notes to the Consolidated And Separate Interim Financial Statements

---

### 44. Acceptances and guarantees

#### (a) Legal proceedings

The Bank is presently involved in 308 litigation suits in its ordinary course of business. The total amount claimed in the cases against the Bank is estimated at N49.2 billion (31 December 2020 N78.8 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 bank and are not aware of any other pending or threatened claims and litigations.

#### (b) Capital commitments

At the reporting date, the bank had capital commitments amounting to N1.7 billion (31 December 2019: N4.9 billion) in respect of authorized and contracted capital projects.



## Notes to the Consolidated And Separate Interim Financial Statements

### 44. 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	Group 31-Mar-21	Group 31-Mar-20	Group 31-Dec-20	Bank 31-Mar-21	Bank 31-Mar-20	Bank 31-Dec-20
Performance bonds and guarantees	381,784	401,794	376,252	341,784	330,127	325,249
Usance	52,402	76,202	50,770	42,402	75,550	49,569
Letters of credit	185,295	466,502	172,905	85,295	405,519	84,183
	<b>619,481</b>	<b>944,498</b>	<b>599,927</b>	<b>469,481</b>	<b>811,196</b>	<b>459,001</b>
Assets under custody (See Note (below))	5,781,951	5,160,219	5,642,718	5,781,951	5,160,219	5,642,718

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 requirements. These letters of credit are provided at market-related interest rates and cannot be settled net in cash.

The amount of N5,782 billion (December 2020: N5,643 billion) represents the full amount of the bank's guarantee for the assets held by the Bank's subsidiaries, Zenith Pensions Custodian Limited and Zenith Nominees Limited under both companies custodial businesses. Included in the amount above is N30.5 billion which represents the amount of the Group's guarantee for the assets held by the subsidiaries as required by the National Pensions Commission.