



Zenith Bank Plc

Group Audited Results for the period ended 30 June 2022

ZENITH BANK PLC RELEASES AUDITED H1 2022 RESULTS

LAGOS, NIGERIA - 23 August 2022 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its audited results for the half-year ended 30 June 2022.

Financial Highlights

<b>Income statement</b>			
<b>In millions of Naira</b>	<b>30-Jun-22</b>	<b>30-Jun-21</b>	<b>% Change</b>
<b>Gross earnings</b>	404,763	345,559	17%
Interest and similar income	241,726	203,934	19%
Interest and similar expense	(56,983)	(43,994)	30%
<b>Net interest income</b>	184,743	159,940	16%
Non-interest income	148,984	126,768	18%
Operating expenses	(178,600)	(149,850)	19%
<b>Profit before tax</b>	130,005	117,059	11%
<b>Profit after tax</b>	111,413	106,119	5%
<b>EPS (NGN)</b>	3.55	3.38	5%
<b>Balance sheet</b>			
<b>In millions of Naira</b>	<b>30-Jun-22</b>	<b>31-Dec-21</b>	<b>% Change</b>
Gross loans	3,662,573	3,501,878	5%
Customers' deposits	7,152,964	6,472,054	11%
Total assets	10,115,362	9,447,843	7%
Shareholders' fund	1,272,276	1,279,662	-1%
<b>Key ratios</b>			
	<b>30-Jun-22</b>	<b>30-Jun-21</b>	<b>% Change</b>
Return on average equity (ROAE)	17.5%	18.8%	-7%
Return on average assets (ROAA)	2.3%	2.5%	-9%
Net interest margin (NIM)	7.1%	6.4%	11%
Cost of funds	1.4%	1.3%	8%
Cost of risk	1.4%	1.3%	8%
Cost to income	58%	56%	3%
	<b>30-Jun-22</b>	<b>31-Dec-21</b>	<b>% Change</b>
Liquidity ratio - <b>Group</b>	60.5%	71.2%	-15%
Liquidity ratio - <b>Bank</b>	64.2%	59.7%	8%
Loan to deposit ratio - <b>Group</b>	51.2%	54.1%	-5%
Loan to deposit ratio - <b>Bank</b>	57.8%	62.6%	-8%
Capital adequacy ratio (CAR)	21.0%	21.0%	0%
Non-performing loan	4.4%	4.2%	4%
Coverage ratio	128.5%	114.4%	12%



The performance of Zenith Bank Group for the half-year ended June 30, 2022 re-affirms its industry leadership and consistency in providing superior financial returns. This is demonstrated by the 11% year-on-year (YoY) growth in profit before tax (PBT) from NGN117 billion to NGN130 billion. Earnings per share (EPS) also grew from NGN3.38 to NGN3.55 over the same 6-month period.

Gross earnings rose by a strong 17% YoY from NGN346 billion to NGN405 billion. This growth was underpinned by a 19% YoY growth in interest income from NGN204 billion to NGN242 billion and an 18% YoY growth in non-interest income from NGN127 billion to NGN149 billion. The growth in interest income was driven by the modest increase in the loan book and improved interest margins. The increase in non-interest income attests to the Group's success in its income diversification strategy.

The Group recorded an 11% year-to-date (YtD) increase in total customer deposits to close the period at NGN7.15 trillion. The retail strategy of the Group continues to deliver outstanding results as retail deposits grew by 17% YtD from NGN1.82 trillion to NGN2.13 trillion. Retail activities also supported the growth recorded in fees on electronic products which grew by 45% YoY from NGN17 billion to NGN25 billion.

Despite the elevated yield environment, the cost of funds increased only marginally from 1.3% in June 2021 to 1.4% in June 2022. The increase in the cost of funds was lower than the increase in yields on interest-generating assets, giving rise to an improved Net Interest Margin (NIM) of 7.1% from 6.4% in June 2021.

Total assets rose to NGN10.12 trillion at the end of June 2022 from NGN9.45 trillion at the end of December 2021. Despite the headwinds imposed by the operating environment, the Group grew its risk assets as gross loans grew by 5% YtD, from NGN3.5 trillion to NGN3.7 trillion. This was achieved at a moderate NPL ratio of 4.4% (FYE 2021: 4.2%) and cost of risk of 1.4% (June 2021: 1.3%). Prudential ratios such as liquidity and capital adequacy also remained stable and well-above regulatory thresholds at 60.5% and 21.0% respectively.

The Group is focused on advancing its digital banking strategy anchored on a strong technology base, and intends to consolidate on the gains achieved in prior years across all business segments. Combined with the Group's industry leadership, we expect this to drive improved performance and deliver enhanced returns to stakeholders.

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### Teleconference Call Details:

Zenith Bank Plc (Bloomberg: ZENITHBA : NL) will have a teleconference call on Thursday, 25 August 2022, at 3pm Lagos Time (3pm London/4pm Johannesburg/10am New York) with its senior management to announce Zenith Bank Plc's audited financial results for the half-year ended 30 June 2022. At the end of the call, there will be an opportunity for management to take questions from investors and analysts.

Please see attached the half-year 30 June 2022 half-year Group Financial Results.

The presentation to investors and analysts will be posted to Zenith Bank's website before the conference call.

The teleconference call facility can be accessed via the internet only. Kindly register at <https://bit.ly/3pEEt22>. Please note that you will only receive dial-in details after registration.

Name: Zenith Bank HI 2022 Conference Call

Date: Thursday 25 August 2022

Time: 3pm Lagos time

Registration link: <https://bit.ly/3pEEt22>

If you have any queries, please do not hesitate to contact the below.

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## Notes to editors:

### About Zenith Bank Plc

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

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

More information can be found at [www.zenithbank.com](http://www.zenithbank.com)