



Zenith Bank Plc

Group Audited Results for the Year ended 31 December, 2023

ZENITH BANK PLC RELEASES FINANCIAL YEAR END 2023 RESULTS

LAGOS, NIGERIA - 08 April, 2024 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its audited results for year ended 31 December 2023.

Financial Highlights

Income statement			
<i>In millions of Naira</i>	31-Dec-23	31-Dec-22	% Change
Gross earnings	2,131,750	945,554	125%
Interest and similar income	1,144,674	540,166	112%
Interest and similar expense	(408,492)	(173,539)	135%
Net interest income	736,182	366,627	101%
Impairment charge	(409,616)	(123,252)	232%
Non-interest income	918,868	380,967	141%
Operating expenses	(449,472)	(339,692)	32%
Profit before tax	795,962	284,650	180%
Profit after tax	676,909	223,911	202%
EPS (NGN)	21.55	7.14	202%
Balance sheet			
<i>In millions of Naira</i>			
Gross loans	7,055,447	4,123,966	71%
Customers' deposits	15,167,740	8,975,653	69%
Total assets	20,368,455	12,285,629	66%
Shareholders' fund	2,323,380	1,378,940	68%
Key ratios			
Return on average equity (ROAE)	36.6%	16.8%	118%
Return on average assets (ROAA)	4.1%	2.1%	95%
Net interest margin (NIM)	7.3%	7.3%	0%
Cost of funds	3.0%	1.9%	58%
Cost of risk	7.3%	3.2%	128%
Cost to income	36.1%	54.4%	-34%
Liquidity ratio - Group	71.0%	75.0%	-5%
Liquidity ratio - Bank	45.0%	67.0%	-33%
Loan to deposit ratio - Group	46.5%	45.9%	1%
Loan to deposit ratio - Bank	52.8%	51.6%	2%
Capital adequacy ratio (CAR)	21.7%	19.8%	10%
Non-performing loan	4.40%	4.30%	2%
Coverage ratio	191.1%	115.9%	65%



The Zenith Bank Group achieved a year on year (YoY) growth in gross earnings of 125% from NGN945.6 billion in 2022 to NGN2.132 trillion in the period ended 31 December 2023. This impressive triple-digit growth in gross earnings resulted in a YoY increase of 180% in Profit Before Tax (PBT) from NGN284.7 billion in 2022 to NGN796 billion in 2023. Profit After Tax (PAT) also recorded triple-digit growth of 202% from NGN223.9 billion to NGN676.9 billion in the period ended 31 December 2023.

The increase in gross earnings is primarily due to growth in our interest and non-interest income. Interest income increased by 112% from NGN540 billion in 2022 to NGN1.1 trillion in 2023. Non-interest income grew by 141% from NGN381 billion to NGN918.9 billion in the same period. The growth in interest income is a result of the growth in the size of our risk assets and its effective repricing, as well as growth in the yield of other interest-earning instruments during the year. Non-interest income grew as a result of significant trading gains and growth in foreign currency revaluation gains.

Our cost of funds grew from 1.9% in 2022 to 3.0% in 2023 due to the high interest rate environment while interest expense increased by 135% from NGN173.5 billion in 2022 to NGN408.5 billion in 2023. Notwithstanding the 32% growth in operating expenses in 2023, the Group's cost-to-income ratio improved significantly from 54.4% in 2022 to 36.1% in 2023 due to improved top-line performance.

Return on Average Equity (ROAE) increased by 118% from 16.8% in 2022 to 36.6% in 2023 underpinned by our improved gross earnings, as we sought to deliver better shareholders returns. Return on Average Assets (ROAA) also grew by 95% from 2.1% to 4.1% in the same period.

We have continued to deepen our market leadership in key corporate and retail deposit segments as customer deposits increased by 69% from NGN 9.0 trillion to NGN15.2 trillion in 2023. Our retail drive continues to yield dividends as retail deposits now constitute 46% of total deposits (compared to 44% in 2022), and grew by 77% from NGN3.97 trillion in 2022 to NGN7.04 trillion in 2023, also reinforcing increased customer confidence in the Zenith brand.

Total assets increased by 66% from NGN12.3 trillion in 2022 to NGN20.4 trillion in 2023, largely due to growth in total deposits and the revaluation of foreign currency deposits. Gross loans grew by 71% from NGN4.1 trillion in 2022 to NGN7.1 trillion in 2023, due to the revaluation of foreign currency loans and the growth in local currency loans. As a result of our disciplined and diligent approach to risk assets creation and management, the loan growth did not significantly impact our NPL ratio which increased from 4.3% to 4.4% despite the heightened risk environment and challenging operating environment.

Our prudential ratios remain within regulatory thresholds with the Capital Adequacy Ratio (CAR) and liquidity ratio at 21.7% and 71.0% respectively at the close of the year.

In 2024, we will conclude the transition to a holding company structure and this is expected to position us to explore emerging opportunities in the fintech space while strengthening our digital and retail banking campaigns. We are taking urgent necessary steps to meet the new minimum NGN500 billion equity capital requirement to retain our international authorization within the stipulated timeframe allowed by the Central Bank of Nigeria. We will reinforce our presence in key markets to continue to position for sustainable growth and value accretion to stakeholders.



Teleconference Call Details:

Zenith Bank Plc (Bloomberg: ZENITHBA:NL) will have a teleconference call on Monday, 15 April 2024, 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 full year ended 31 December 2023. At the end of the call, there will be an opportunity for Management to take questions from investors and analysts.

Please see attached the full-year 31 December 2023 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://tinyurl.com/2tbsy3t4>. Please note that you will only receive dial-in details after registration.

Name: Zenith Bank PLC FY 2023 Financial Results Conference

Date: Monday 15 April 2024

Time: 3pm Lagos time

Registration link: <https://tinyurl.com/2tbsy3t4>

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

Zenith Bank Plc

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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.