



2020 THIRD QUATER REPORT

Presentation to Investors
and Analysts



PEOPLE
TECHNOLOGY
SERVICE



Agenda

Overview of Operating Environment	Pages 04 – 07
Group Results	Pages 08 – 23
Risk Management	Pages 24 – 29
Business Segments Performance & Subsidiary Review	Pages 30 – 35
Strategy, Outlook & Guidance	Pages 36 – 39



This presentation is based on the consolidated financial statements of Zenith Bank Plc, a company incorporated in Nigeria on 30 May 1990, and its subsidiaries (hereinafter collectively referred to as "the Group"). The financial statements are prepared in accordance with the International Financial Reporting Standard (IFRS), and the going concern principle under the historical cost convention as modified by the measurement of certain financial instruments held at fair value.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and disclosures at the date of the financial statements. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

A nighttime photograph of an industrial port or city waterfront. In the foreground, a multi-lane bridge with concrete pillars spans across a body of water. The bridge is illuminated with blue lights, and its reflection is visible in the water. In the background, a large industrial facility with numerous cranes and buildings is lit up with warm yellow and orange lights. The sky is dark, and the overall scene conveys a sense of active industrial operations.

Overview of Operating Environment

Nigerian Economy and Key Developments in the Banking Sector

Real GDP Growth:

- Nigeria recorded a negative growth of -3.62% y/y in real GDP in Q3 2020, an improvement of 2.48% points over the -6.10% y/y growth rate recorded in Q2 2020. The decline was largely due to the residual effects of the restrictions to movement and economic activity implemented across the country in early Q2 in response to the COVID-19 pandemic.
- The oil sector contracted by 13.89% y/y and contributed 8.73% to total real GDP in Q3 2020 while the non-oil sector contracted by -2.51% - driven mainly by Telecommunications, with other drivers being Agriculture (Crop Production), Construction, Financial and Insurance (Financial Institutions), and Public Administration.

Headline Inflation:

- Headline inflation increased to 14.23% y/y in Oct'20 from 13.71% y/y recorded in Sept'20.
- Food inflation rose by 73 bps to 17.38% y/y while core inflation increased by 56 bps to 11.14% y/y.

Oil Production & Price:

- OPEC average monthly basket price increased by 11.9% during the 3rd quarter of 2020, from \$37.1/bbl recorded in Jun'20 to \$41.5/bbl recorded in Sept'20. However, a peak average monthly basket price of \$45.2/bbl was recorded in Aug'20 while the current daily price stands at \$46.4/bbl as at 30th Nov. 2020.
- Nigeria recorded an average daily oil production of 1.67 mbpd in Q3 2020, a drop of 0.14 mbpd from 1.81 mbpd recorded in Q2 2020 as a result of compliance with OPEC quotas.

Foreign Reserves:

- Nigerian foreign reserves inched up marginally by 0.3% QoQ from \$35.6bn recorded at the end of Q2 2020 to \$35.7bn recorded at the end of Q3 2020. Current reserve stands at \$35.4bn as at 27th Nov. 2020.

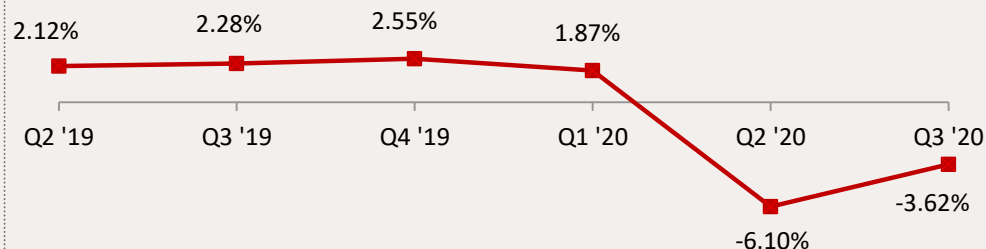
Exchange Rate:

- Exchange rate remained relatively stable in the third quarter of 2020. Rates (NGN/USD) as at end of September 2020: NAFEX(I&E) – 385.80; CBN Retail – 394.00 (June 2020: NAFEX(I&E) – 386.75; CBN Retail – 385.50).

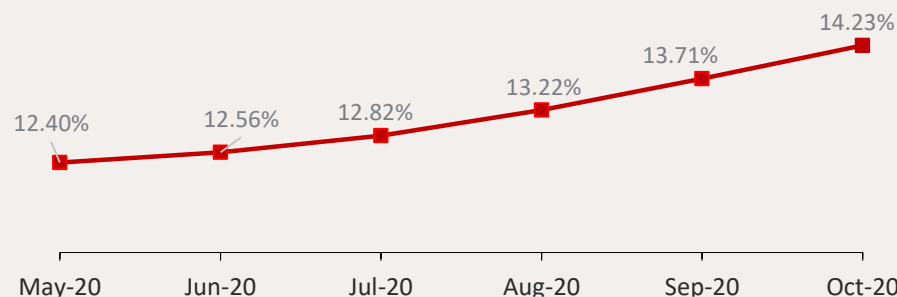
Cash Reserve Ratio (CRR) & Monetary Policy Rate (MPR):

- The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) voted to keep all monetary policy rates the same during the MPC meeting held in November 2020. Cash Reserve Ratio (CRR) - 27.5%; Monetary Policy Rate (MPR) – 11.5%; and Liquidity Ratio - 30%.

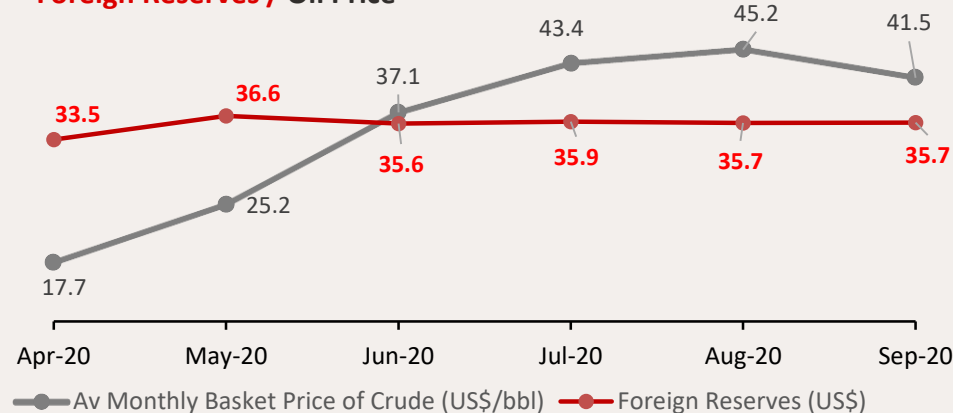
GDP Growth Rate



Inflation Rate



Foreign Reserves / Oil Price



Source: National Bureau of Statistics, Central Bank of Nigeria, OPEC

Our Response to Covid-19 Pandemic

As we transit to the new normal amid this pandemic, the health and safety of our employees, customers and other stakeholders are of utmost importance to us while we remain focused on preserving value for our shareholders.

- We have set a clear direction and communicated this effectively to all staff and other stakeholders in accordance with our Business Continuity Plan (BCP). Remote working and electronic self-services for our traditional banking services have been established.
- Our BCPs are constantly being reviewed and strengthened to reflect the current and potential impacts of Covid-19 pandemic.
- We have also developed a strategic crisis-action plan to guide our response across all Covid-19 scenarios - short, medium and long term, while leveraging on emerging opportunities.
- Executive Management has encouraged virtual meetings and discussions of the bank activities across various Teams.
- Several stress tests to assess the possible impacts of Covid-19 on our liquidity, capital adequacy and earning capacity had been conducted. We remain resilient to short and medium term shocks from the adverse impacts of coronavirus pandemic.
- We review our loan books continuously and closely monitor all assets and liabilities classes to ensure sufficient liquidity to meet our financial obligations.
- We are engaging our customers in key sectors of the economy to better understand their current challenges and provide effective and bespoke actions to alleviate their hardships while preserving shareholders' funds.
- We have increased our investment in IT and Cyber Security infrastructure to enable us meet the increasing digital needs of our customers while protecting our organization and customers from all cyber security threats.

Our Investment Proposition

Market leadership, growth capacity, solid and liquid capital base, strengthened ERM practices, good returns on investment and excellent customer service.

A dominant player in the Nigerian Banking Industry:

- Controls a significant share of the high end corporate clients in strategic sectors of the Nigerian economy.
- The bank uses its strong balance sheet and liquidity as well as efficient trade finance processes and services, to continuously grow and support businesses.

Growing footprint in the retail and digital space:

- Continues to attract and grow its share of retail customers and retail business in the market.

Strong Focus on Risk Management:

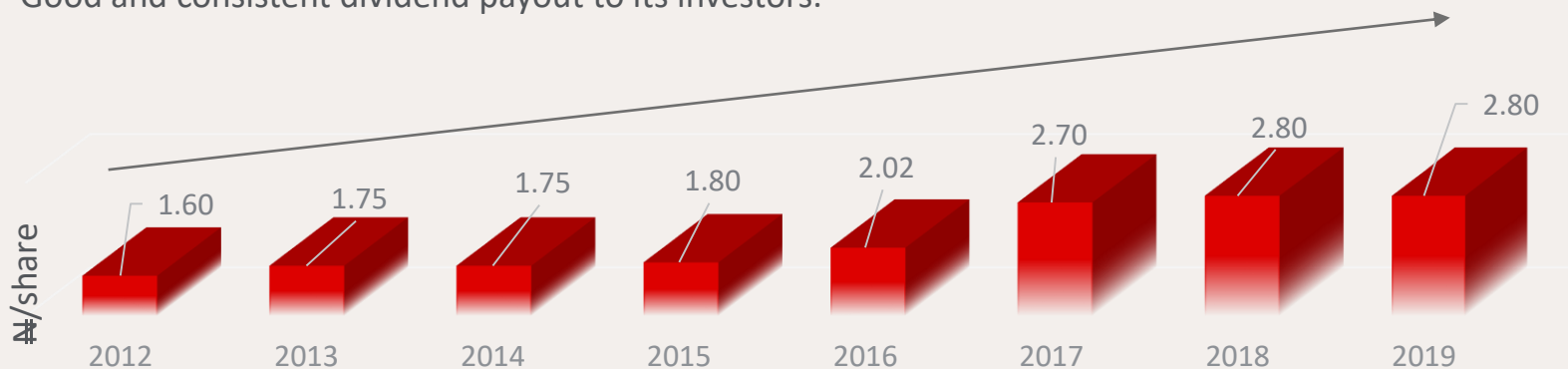
- NPL ratio came in at 4.8% with a coverage ratio of 126.8%. The Group will continue to implement robust risk management practices and maintain the lowest possible NPL ratio.

Credit Rating: Constrained by Sovereign Ratings

- Standard and Poor's ratings for Zenith Bank are: B-/Stable/B (Issuer Credit Rating) and ngBBB/ngA-2 (National Scale Rating).
- Fitch ratings are: 1) Long-term foreign currency IDR: 'B' – stable outlook; 2) Short-term foreign currency IDR: 'B'; 3) National Long-term rating: 'AA-(nga)'; 4) National Short-term rating: 'F1(nga)'.
- Moody's ratings: 1) Long Term Debt - B2 with Negative Outlook; 2) Long Term Deposit – B3 with Negative Outlook

Consistent and Growing Dividend Payout:

- Good and consistent dividend payout to its investors.



Non-financial Highlights

SOCIAL IMPACT/CSR

- Member of the Nigeria Coalition against Covid-19
- Official Bank of the Nigerian National Football Teams
- Private Sector Health Alliance Project
- Zenith Bank National Women Basketball League
- The Muson Centre Project
- Aba SME Fair
- Zenith Tech Fair
- Style by Zenith
- Zenith Youth Parade

CUSTOMERS/CHANNELS

		Q3 2020	Q3 2019
Number of Customers		12,004,914	9,069,775
Number of Cards Issued		9,884,272	7,295,684
Number of active POS Terminals		72,824	39,905
Number of ATM Terminals		2,039	1,980
Number of Branches		437	427
Number of Cash Centres		176	182
Number of Male Employees		3,950	3,787
Number of Female Employees		3,687	3,452

AWARDS

- Bank of the Year 2020 (Nigeria) - *The Banker*
- Biggest Bank in Nigeria by Tier-1 Capital 2020 - *The Banker*
- Most Valuable Banking Brand in Nigeria 2020 - *The Banker*
- Best Bank in Nigeria 2020 – *Global Finance Magazine*
- Best Corporate Governance 'Financial Services' Africa 2020 – *Ethical Boardroom*
- Bank of the Decade (People's Choice) – *Thisday Awards 2020*
- Bank CEO of the Year 2020 – *BusinessDay Newspapers*
- Retail Bank of the Year 2020 – *BusinessDay Newspapers*

SHARE HOLDINGS



Number of Shareholders

644,436

PRODUCT INNOVATIONS

Emergency USSD Code ***966*****911**#

Virtual Debit Card

Timeless Account

USSD on POS
Biometric ATM operations

SOCIAL MEDIA FOLLOWING

6,087,369

1,283,544

475,519

25,891,402 (views)

150,870

Group Results

Key Themes

- ✓ Efficiency and risk management for superior performance.
- ✓ Building a shock-proof balance sheet.
- ✓ Growing our footprint in the retail and digital space.

Income Statement

Gross earnings:	₺509.0Bn	+3.6% YoY
Net-interest income:	₺225.2Bn	+4.9% YoY
Non-interest income:	₺173.5Bn	+10.7% YoY
Profit before tax:	₺177.3Bn	+0.6% YoY
Profit after tax:	₺159.3Bn	+5.7% YoY

Balance Sheet

Customers' deposits:	₺5.22Tn	+22.6% YTD
Gross loans:	₺2.89Tn	+17.2% YTD
Total assets:	₺7.97Tn	+25.6% YTD
Total shareholders' funds:	₺1.03Tn	+9.8% YTD

Key Ratios

	30-Sep-20	30-Sep-19	% change
Earnings per share (EPS)	N5.07	N4.80	5.6%
Return on average equity (RoAE)	21.5%	23.8%	(9.7%)
Return on average assets (RoAA)	3.0%	3.4%	(11.8%)
Net interest margin - NIM	8.3%	8.7%	(4.6%)
Cost of funds	2.2%	3.0%	(26.7%)
Cost of risk	1.3%	1.2%	8.3%
Cost-to-income ratio	52.5%	50.1%	4.8%
	30-Sep-20	31-Dec-19	% change
Liquidity ratio (Group)	67.4%	57.3%	17.6%
Liquidity ratio (Bank)	52.5%	57.2%	(8.2%)
Loan-to-deposit ratio (Group)	55.3%	57.8%	(4.3%)
Loan-to-deposit ratio (Bank)	63.2%	68.6%	(7.9%)
Capital adequacy ratio (CAR)	21.5%	22.0%	(2.3%)
Non-performing loan ratio (NPL)	4.80%	4.95%	(3.0%)
Coverage ratio	126.8%	148.2%	(14.4%)

Profit or Loss Statement

- Strong top and bottom lines, boosted by growth in net interest income, trading and other income.

(N'million)	Group 9M 20	Group 9M 19	YoY Change
Gross income	508,975	491,268	3.60%
Interest and similar income	318,820	321,938	-0.97%
Interest and similar expense	(93,641)	(107,311)	-12.74%
Net interest income	225,179	214,627	4.92%
Impairment charge	(25,108)	(18,259)	37.51%
Net interest income after impairment charge	200,071	196,368	1.89%
Net fee and commission income	59,123	73,847	-19.94%
Trading income	89,817	66,856	34.34%
Other income	24,548	16,053	52.92%
Amortisation of intangible assets	(2,375)	(2,287)	3.85%
Depreciation of property and equipment	(18,733)	(14,907)	25.67%
Personnel expenses	(59,925)	(57,065)	5.01%
Operating expenses	(115,243)	(102,682)	12.23%
Profit before income tax	177,283	176,183	0.62%
Income tax expense	(17,968)	(25,460)	-29.43%
Profit after tax	159,315	150,723	5.70%

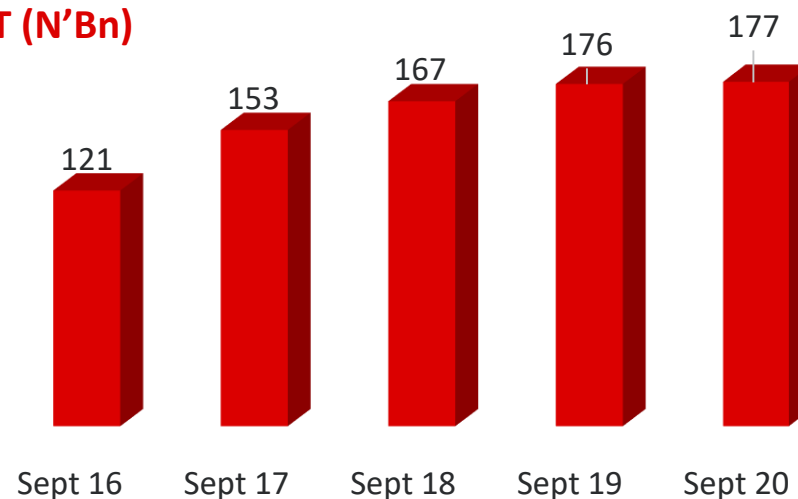
Consolidating Earnings and Profitability



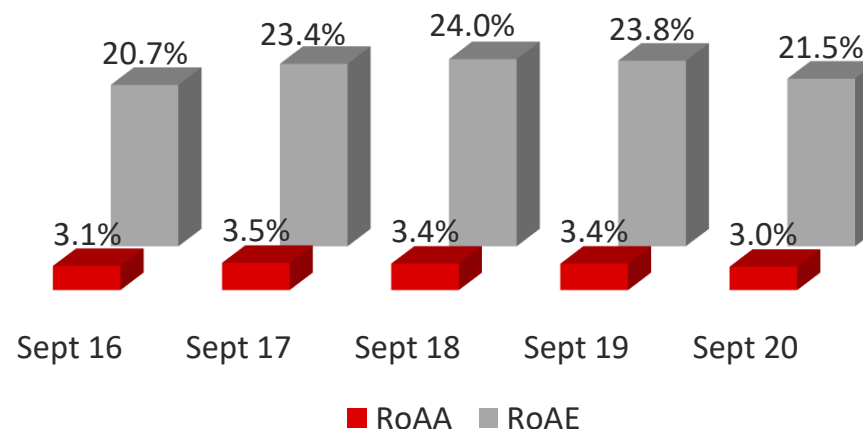
Zenith Group has continued to deliver an attractive earnings profile, supported by a robust revenue base despite market turbulence.

- **PBT** increased by 0.6% YoY from N176.2bn in Q3 2019 to N177.3bn in Q3 2020 despite the challenging operating environment.
- **ROAE** declined from 23.8% to 21.5% YoY as a result of the stronger capital base.
- **ROAA** declined from 3.4% to 3.0% YoY due to declining yields on interest bearing assets.

PBT (N'Bn)



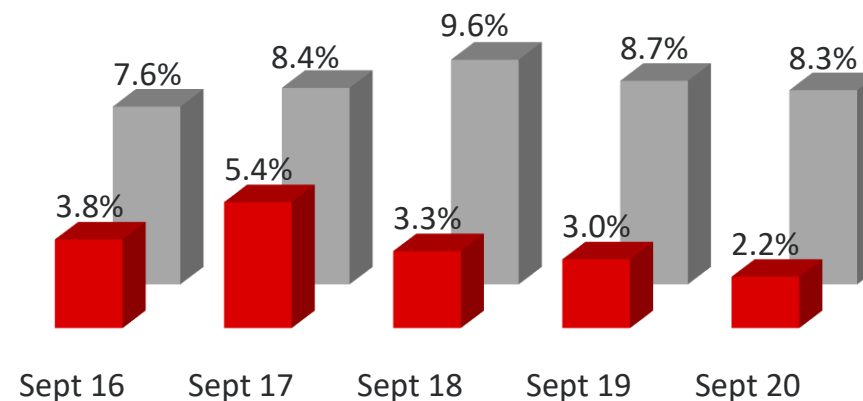
RoAA & RoAE



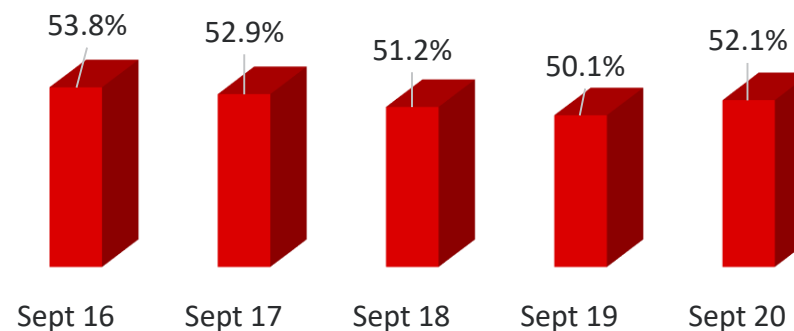
Consolidating Earnings and Profitability Contd.

- **Net Interest Margin - NIM** contracted by 4.6% YoY (from 8.7% in Q3 2019 to 8.3% in Q3 2020) due to the declining yield environment.
- **Cost of Funds** dropped to 2.2% in Q3 2020 from 3.0% recorded in Q3 2019 as a result of rebalancing of our funding mix and low deposit rates.
- **Cost-to-Income Ratio** increased from 50.1% recorded in Q3 2019 to 52.5% recorded in Q3 2020 due to inflationary pressures and heightened regulatory costs.

Cost of Funds & Net Interest Margin



Cost to Income Ratio

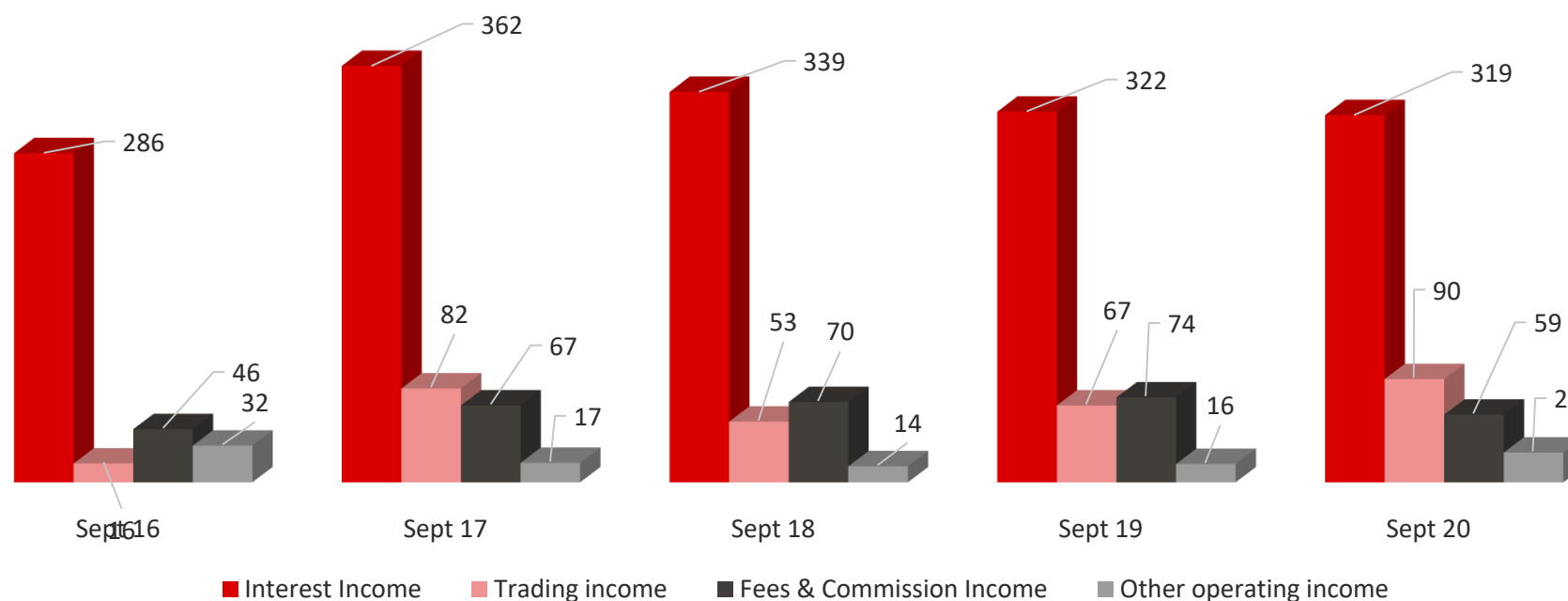


Evolution of Revenue Base

- Contribution of non-interest income lines to total revenue continues to grow, increasing from 34.5% in Q3 2019 to 37.3% in Q3 2020.

N'million	Q3 2020	% to Total Revenue	Q3 2019	% to Total Revenue	YoY
Interest income	318,820	62.6%	321,938	65.5%	-1.0%
Non Interest Income:					
Trading income	89,817	17.6%	66,856	13.6%	34.3%
Fees and commissions income	75,790	14.9%	86,421	17.6%	-12.3%
Other operating Income	24,548	4.8%	16,053	3.3%	52.9%
Total Revenue	508,975	100.0%	491,268	100.0%	3.6%

₹'Bn

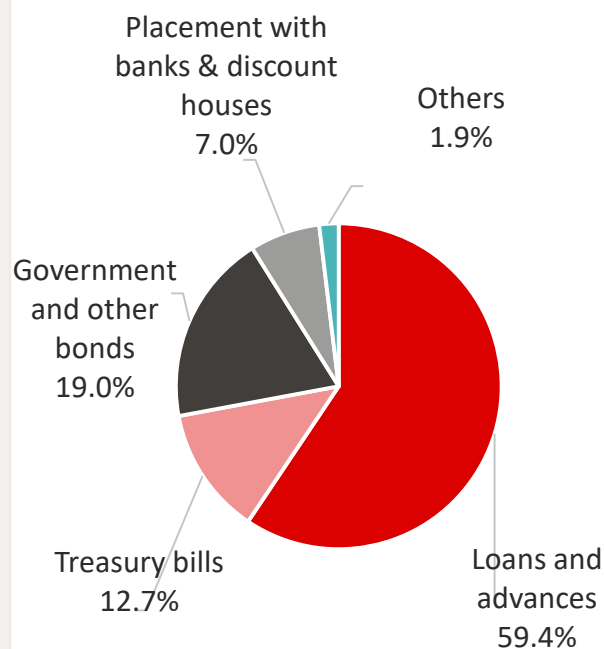


Revenue Base: Interest Income Lines

- Treasury bills (T-bills) interest income dipped by 46% YoY due to the significant decline in treasury bills rates.

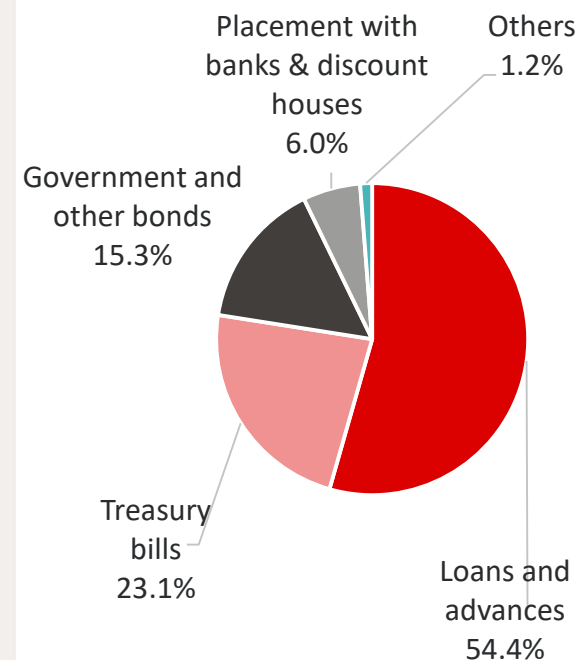
Interest Income

Q3 2020



N'million	Q3 2020	Q3 2019	YoY
Loans and advances	189,386	175,178	8%
Treasury bills	40,392	74,273	-46%
Government and other bonds	60,643	49,293	23%
Placement with banks & discount houses	22,274	19,207	16%
Others	6,125	3,987	54%
Total	318,820	321,938	-1%

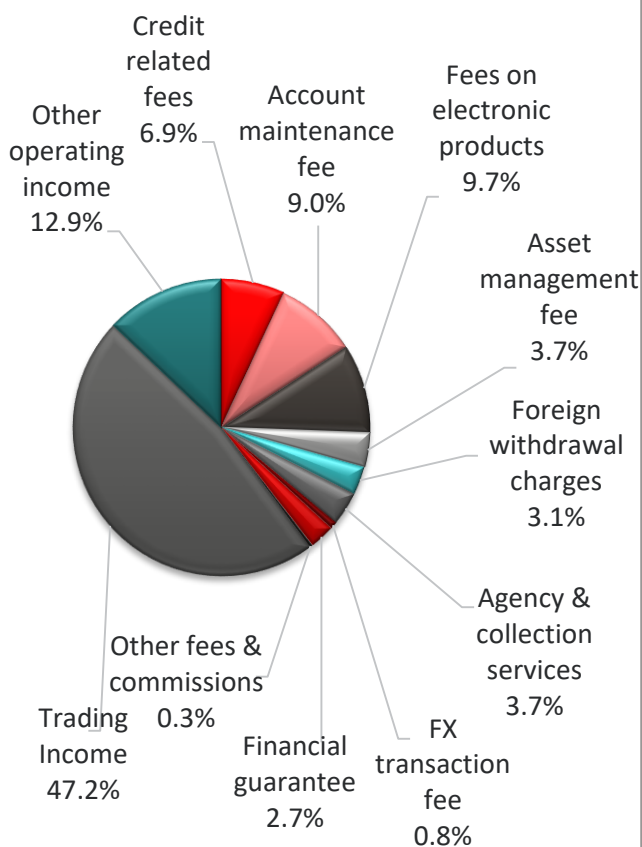
Q3 2019



Revenue Base: Non-Interest Income (NII) Diversification

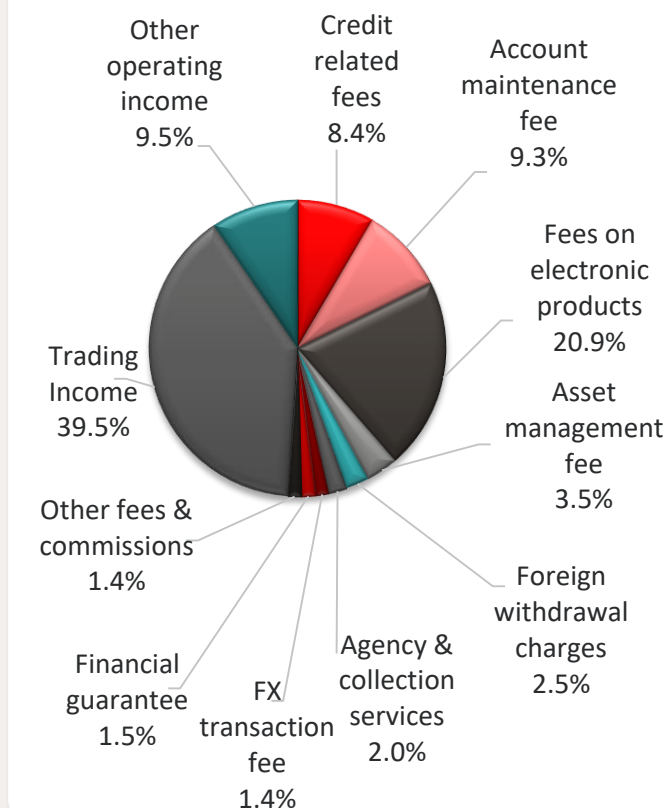
- Sustained growth in non-Interest Income which grew by 11% YoY.

Q3 2020



N'million	Q3 2020	Q3 2019	YoY
Credit related fees	13,106	14,262	-8%
Account maintenance fee	17,045	15,821	8%
Fees on electronic products	18,464	35,324	-48%
Asset management fee	7,031	5,925	19%
Foreign withdrawal charges	5,834	4,283	36%
Agency & collection services	7,017	3,409	106%
FX transaction fee	1,510	2,385	-37%
Financial guarantee	5,121	2,600	97%
Other fees & commissions	662	2,412	-73%
Total fees & commission income	75,790	86,421	-12%
Fees and commission expense	-16,667	-12,574	33%
Net fee & commission income	59,123	73,847	-20%
Trading Income	89,817	66,856	34%
Other operating income	24,548	16,053	53%
Net non- interest income	173,488	156,756	11%

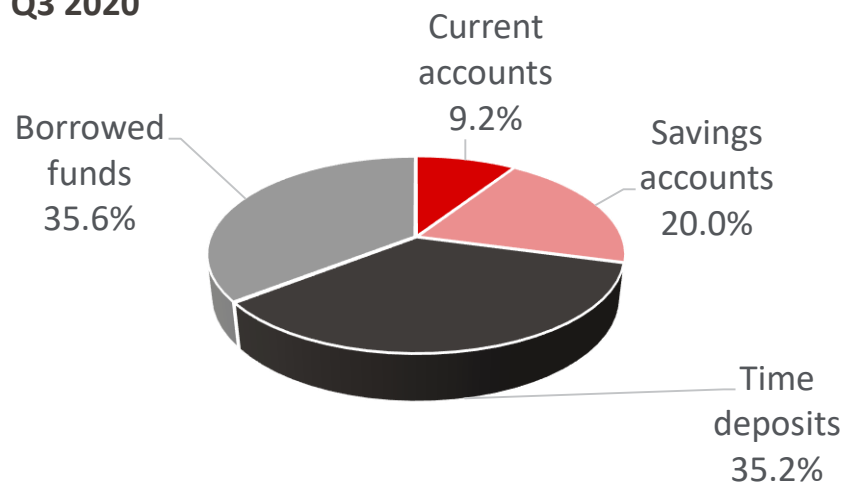
Q3 2019



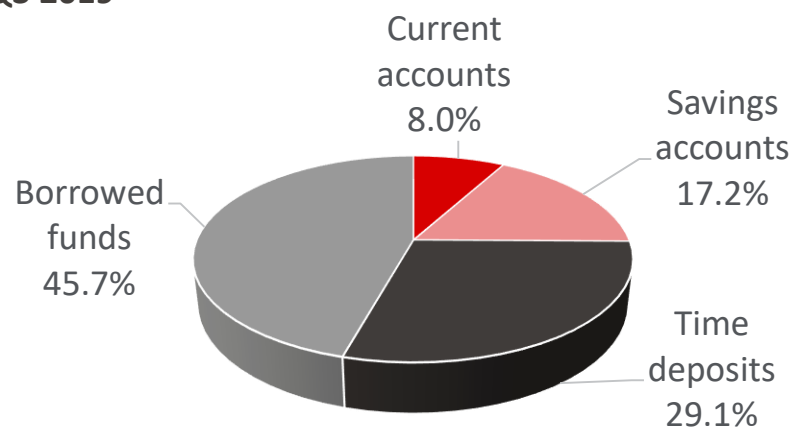
Interest Expense: Funding Cost Optimization

Interest Expenses

Q3 2020



Q3 2019



- Interest expense declined by 13% YoY as a result of rebalancing of deposit mix and the declining yield environment.

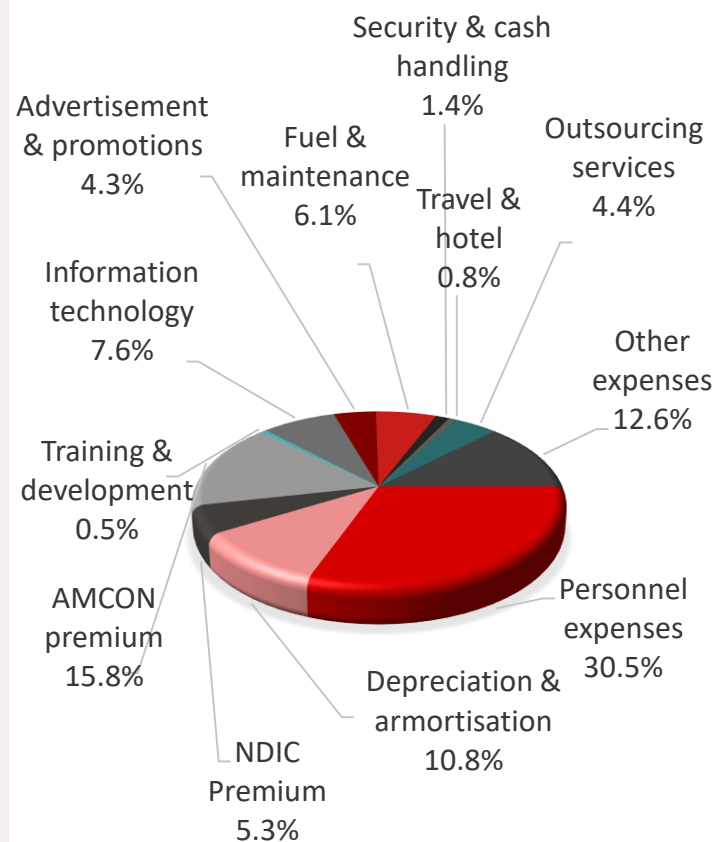
N'million	Q3 2020	Q3 2019	YoY
Current accounts	8,600	8,613	0%
Savings accounts	18,741	18,511	1%
Time deposits	32,986	31,338	5%
Borrowed funds	33,314	49,149	-32%
Total	93,641	107,611	-13%

Continuous Implementation of Cost-Reduction Strategies.

- Total operating expense grew by 11% YoY in Q3 2020 due to inflationary pressure and foreign currency denominated expenses (exchange rate movement).

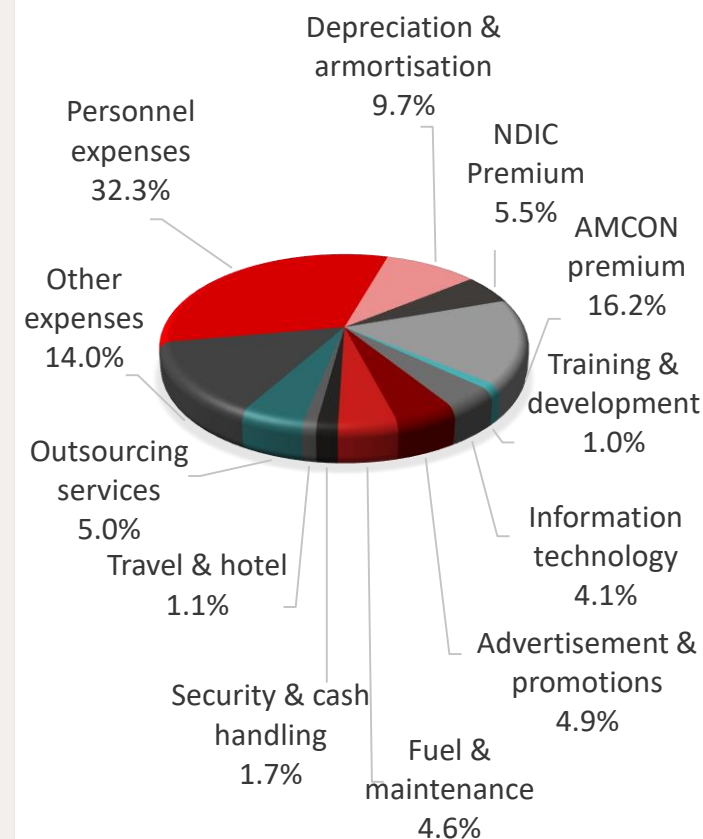
Total Operating Expenses

Q3 2020



N'million	Q3 2020	Q3 2019	YoY
Personnel expenses	59,925	57,065	5%
Depreciation & amortisation	21,108	17,194	23%
NDIC Premium	10,365	9,674	7%
AMCON premium	30,948	28,654	8%
Training & development	1,048	1,817	-42%
Information technology	14,881	7,288	104%
Advertisement & promotions	8,389	8,652	-3%
Fuel & maintenance	12,032	8,155	48%
Security & cash handling	2,750	2,933	-6%
Travel & hotel	1,493	1,910	-22%
Outsourcing services	8,676	8,814	-2%
Other expenses	24,664	24,785	0%
Total	196,279	176,941	11%

Q3 2019



Balance Sheet – Assets

- Robust balance sheet - well positioned to take on growth opportunities as the economy begins to recover.

(N'million)	Group Sep-20	Group Dec-19	YTD Change	Group Sep-19
Cash and balances with central banks	1,799,136	936,278	92.16%	913,830
Treasury bills	1,058,712	991,393	6.79%	854,328
Assets pledged as collateral	261,585	431,728	-39.41%	558,320
Due from other banks	810,700	707,103	14.65%	685,211
Derivative assets	56,676	92,722	-38.88%	86,183
Loans and advances	2,710,967	2,305,565	17.58%	2,043,012
Investment securities	909,918	591,097	53.94%	491,984
Deferred tax assets	11,948	11,885	0.53%	12,013
Other assets	152,042	77,395	96.45%	140,941
Property and equipment	186,680	185,216	0.79%	176,182
Intangible assets	14,901	16,497	-9.67%	16,440
Total Assets	7,973,265	6,346,879	25.62%	5,978,444

Balance Sheet – Liabilities & Equity

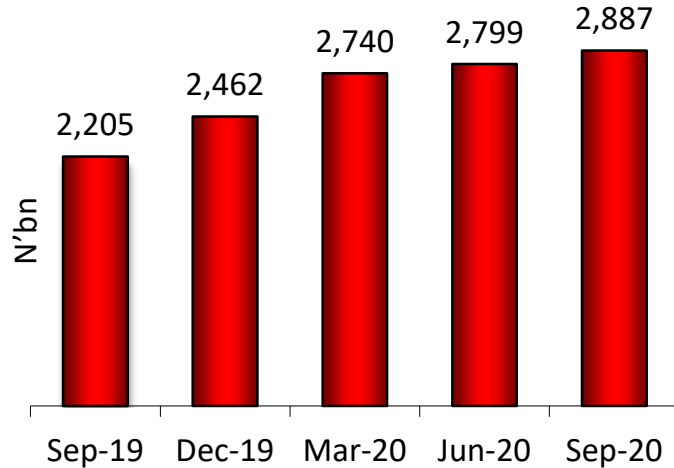
- Assets are largely funded by deposits with a strong capital base providing buffer for further growth.

(N'million)	Group	Group	YTD	Group
	Sep-20	Dec-19	Change	Sep-19
Liabilities				
Customers deposits	5,224,564	4,262,289	22.58%	3,951,829
Derivative liabilities	19,496	14,762	32.07%	10,587
Current income tax payable	15,965	9,711	64.40%	9,059
Deferred income tax liabilities	1	25	-96.00%	23
Other liabilities	687,503	363,764	89.00%	265,874
On-lending facilities	386,394	392,871	-1.65%	400,472
Borrowings	562,675	322,479	74.48%	429,166
Debt securities issued	42,326	39,092	8.27%	39,533
Total liabilities	6,938,924	5,404,993	28.38%	5,106,543
Equities and reserves				
Share capital	15,698	15,698	0.00%	15,698
Share premium	255,047	255,047	0.00%	255,047
Retained earnings	459,318	412,948	11.23%	362,330
Other reserves	303,345	257,439	17.83%	238,079
Non-controlling interest	933	754	23.74%	747
Total shareholders' equity	1,034,341	941,886	9.82%	871,901

Sustained Assets & Liabilities Match

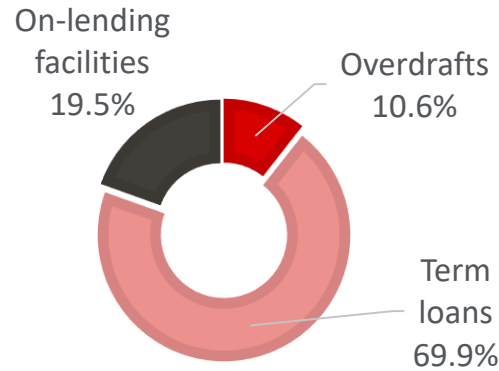
- The 23% growth in customers' deposits in Q3 2020 is a reflection of the increasing confidence in the Zenith brand.

Gross Loans

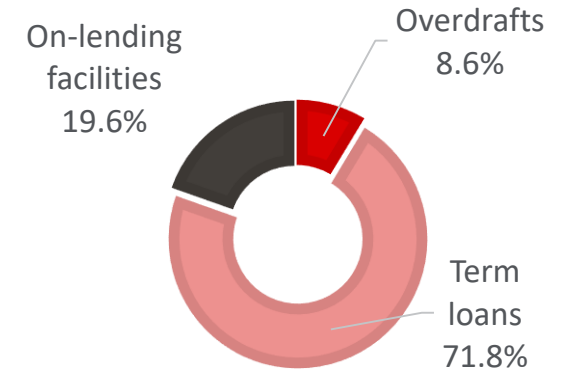


Loans & Advances

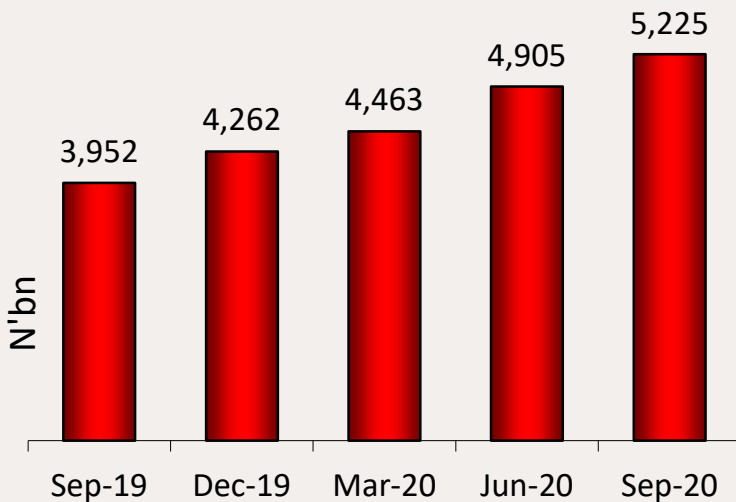
Q3 2020



FYE 2019

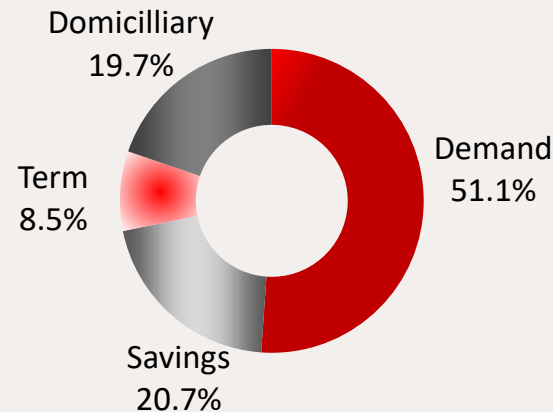


Deposits

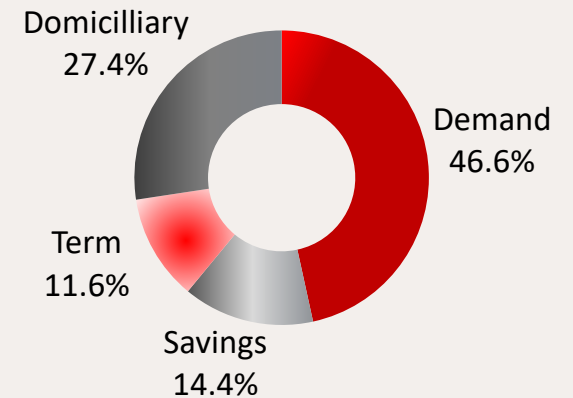


Deposit Mix

Q3 2020



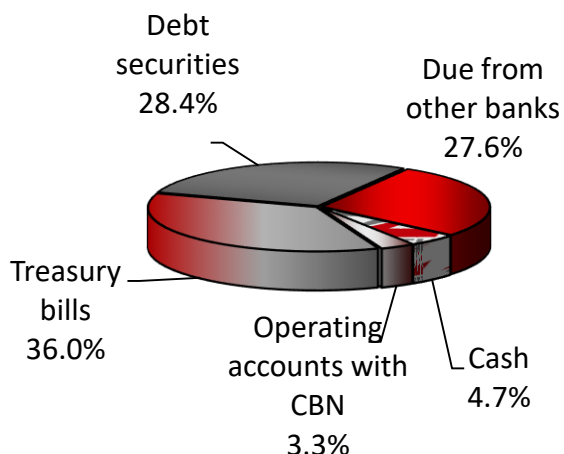
FYE 2019



Continued Market Dominance - Strong Liquid Asset Base & Funding Mix

- High quality balance sheet with diversified funding sources.

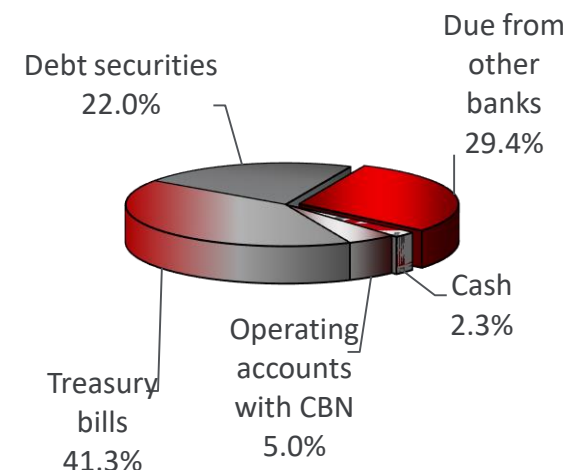
Q3 2020



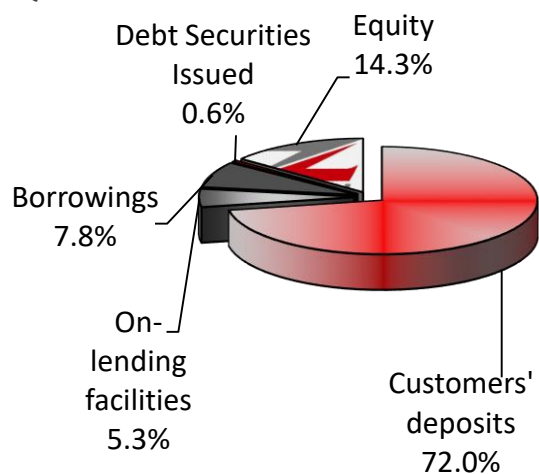
Liquid Assets

N'million	Q3 2020	FYE 2019	YTD
Cash	137,423	55,255	149%
Operating accounts with CBN	96,174	120,073	-20%
Treasury bills	1,058,712	991,393	7%
Debt securities	835,185	527,968	58%
Due from other banks	810,700	707,103	15%
Total	2,938,194	2,401,792	22%

FYE 2019



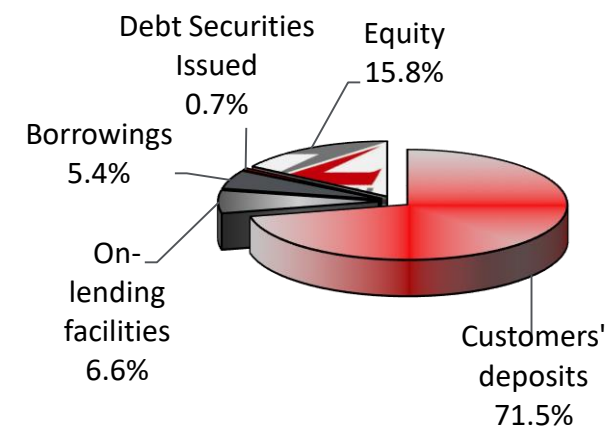
Q3 2020



Funding Mix

N'million	Q3 2020	FYE 2019	YTD
Customers' deposits	5,224,564	4,262,289	23%
On-lending facilities	386,394	392,871	-2%
Borrowings	562,675	322,479	74%
Debt Securities Issued	42,326	39,092	8%
Equity	1,038,341	941,886	10%
Total	7,254,300	5,958,617	22%

FYE 2019

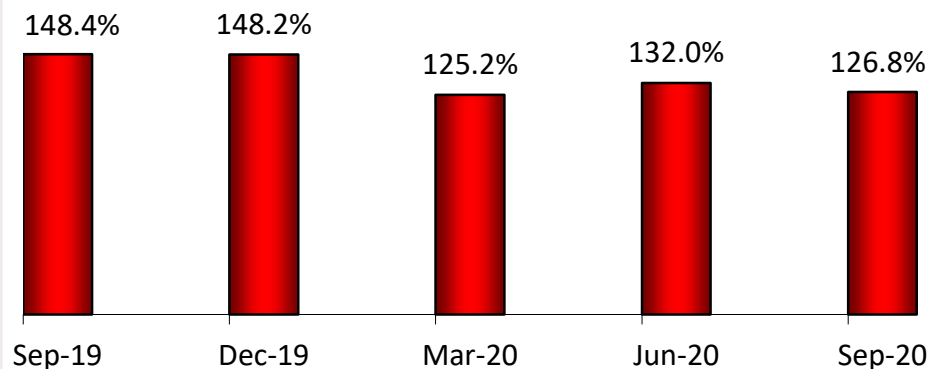


The background image shows an offshore oil rig at sea. The rig is a complex structure with multiple levels, cranes, and a central tower. A large, dark pipe is positioned horizontally in the foreground, supported by a series of vertical posts. The sun is visible on the left side of the image, creating a bright glow. The overall scene is in a sepia or golden-brown color palette.

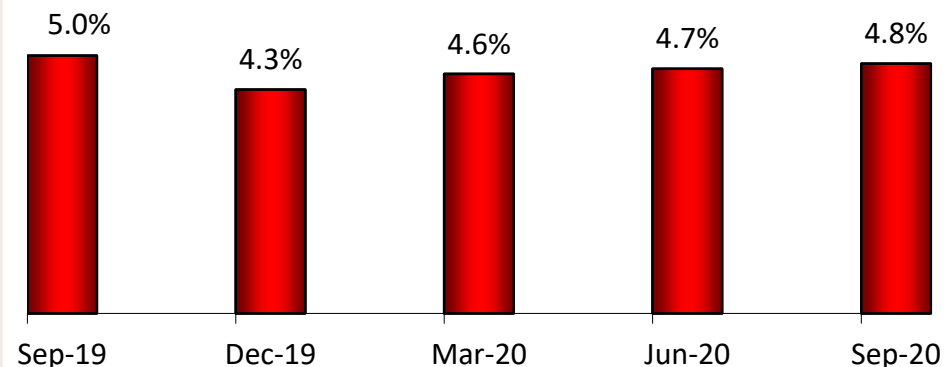
Risk Management

Healthy Risk Assets Portfolio

NPL Coverage Ratio



NPL Ratio



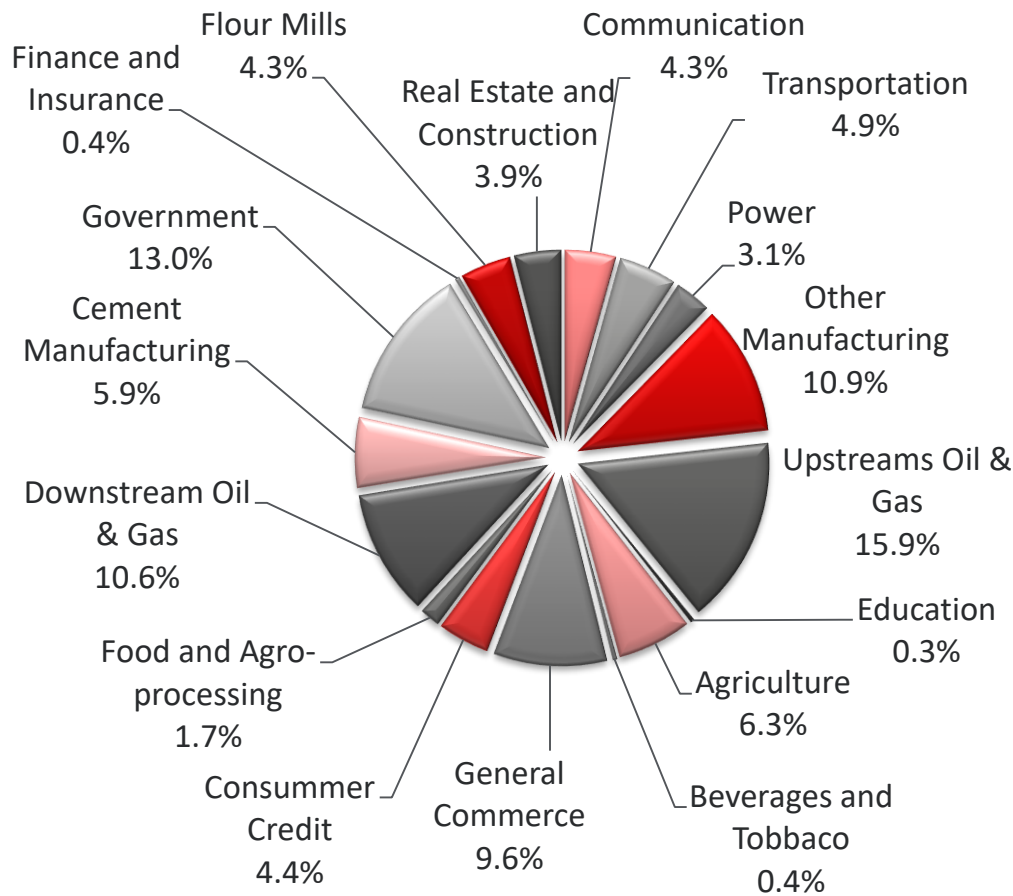
Credit Risk Management Amidst Covid-19

- Engaging our customers in key sectors of the economy to better understand their current challenges and provide effective and bespoke actions to alleviate their hardships while preserving shareholders' funds.
- Deployment of tools and models to recalibrate and measure the impact of Covid-19 on our loan books.
- Creating innovative mitigants to further protect us from downside risk on the loan books.
- Providing critical support to our loan customers to help them navigate through the challenges posed by the pandemic.
- Continuous adoption of a complete and integrated approach to risk management that is driven from the Board level to the operational activities of the bank.

Focused Risk Management via Portfolio Diversification

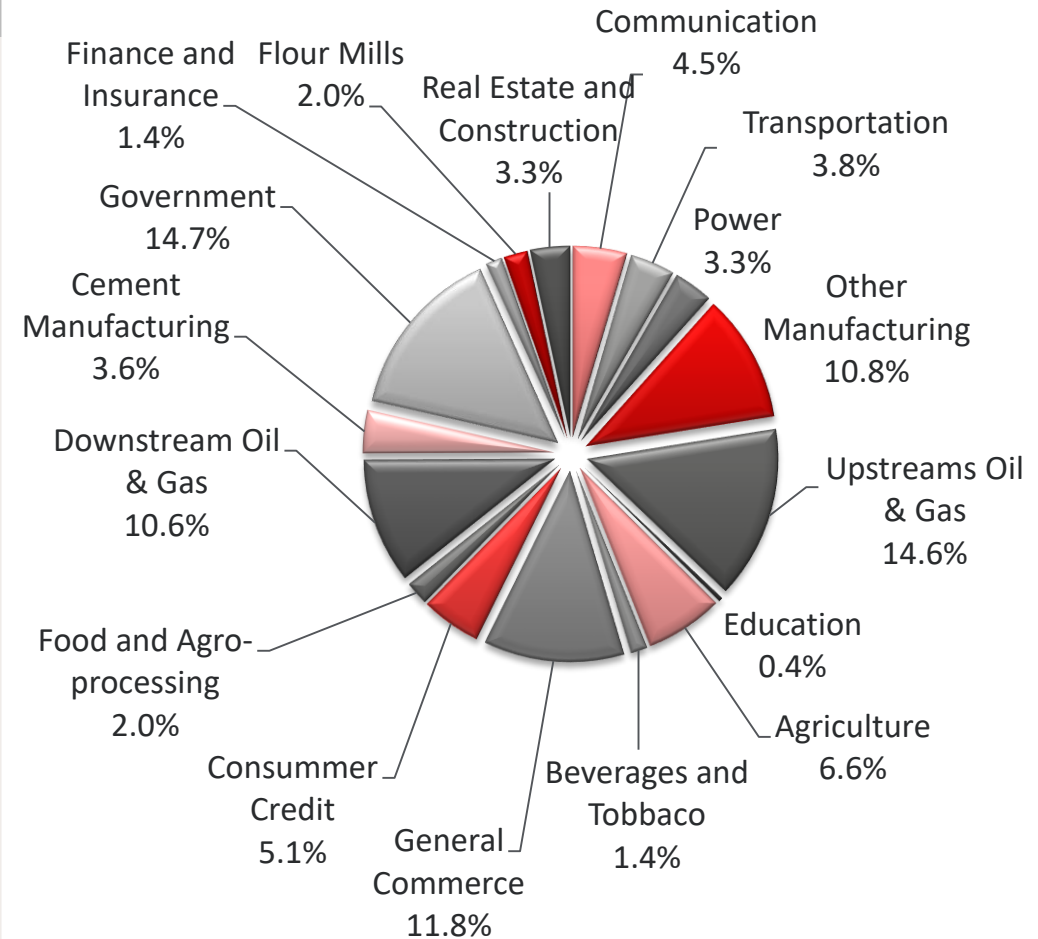
- Well diversified loan portfolio across sectors supports asset quality.

Loans by Sector – Q3 2020



Gross Loans – ₦2.89 Trillion

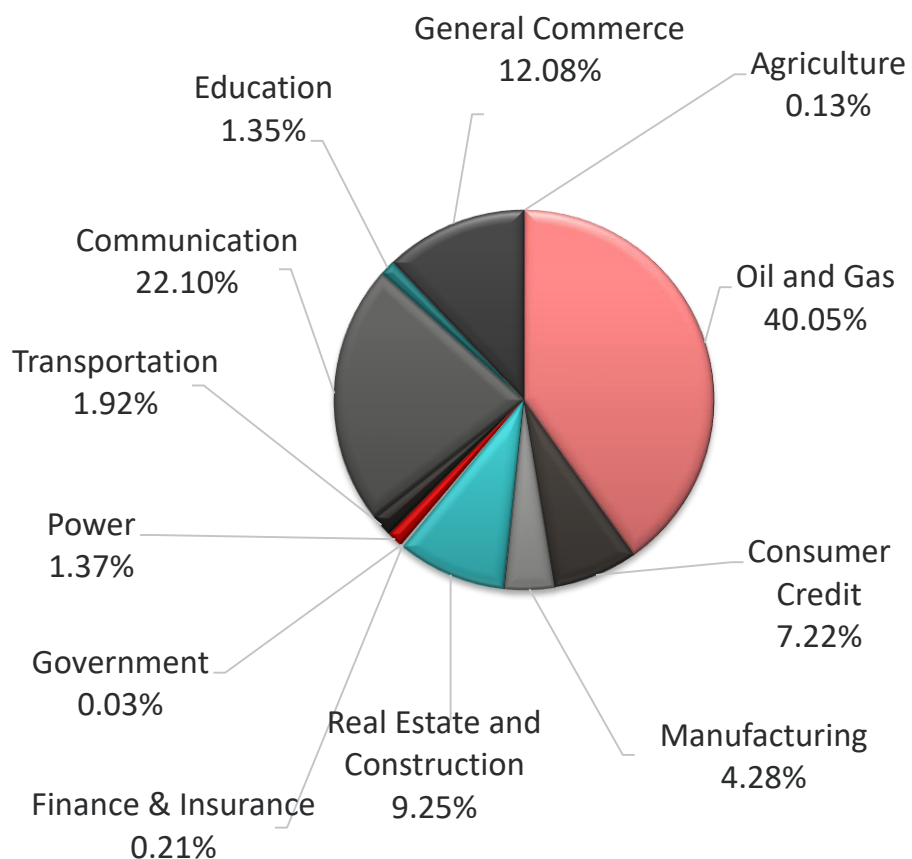
Loans by Sector – FYE 2019



Gross Loans – ₦2.46 Trillion

NPL by Sectors

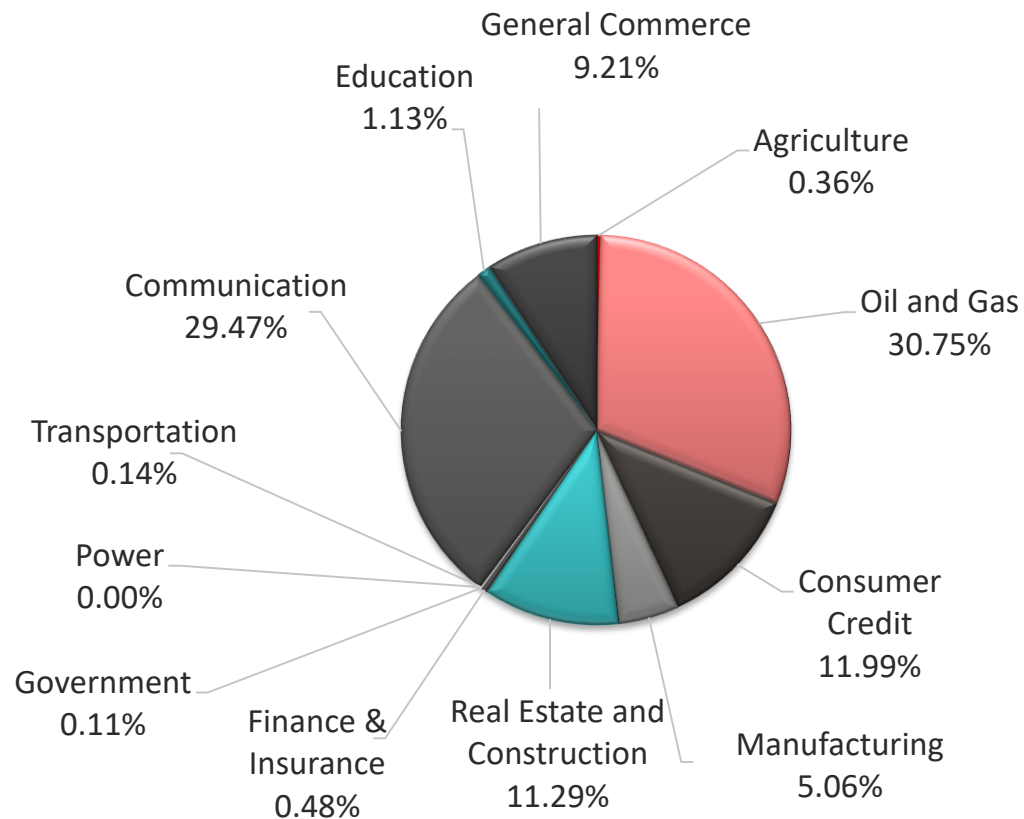
Q3 2020



Total NPLs – ~~₹~~138.6 Billion

NPL Ratio – 4.8%

FYE 2019



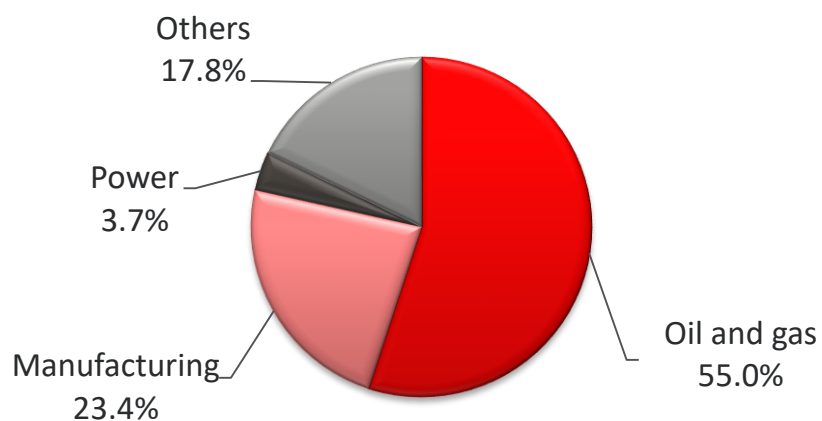
Total NPLs – ~~₹~~105.8 Billion

NPL Ratio – 4.3%

Foreign Currency Loans & Restructured Loans

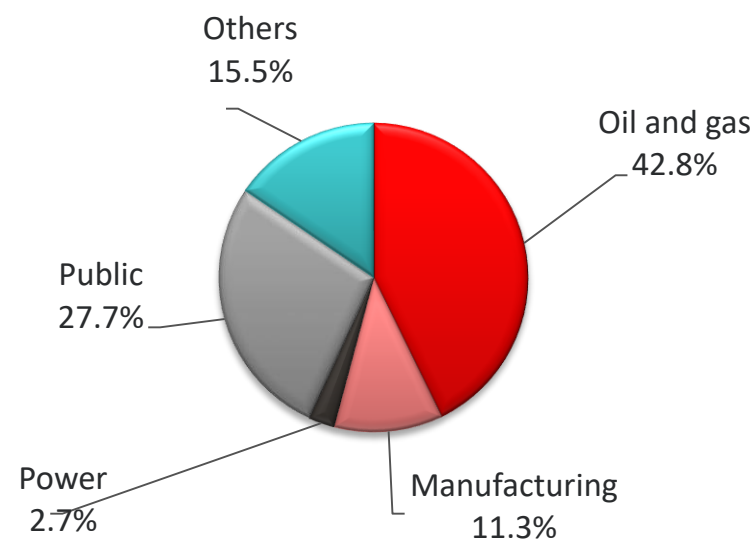
Foreign Currency Loans – Q3 2020

USD loans by sector	US\$' m	N'm	% to US\$ loans	% to Gross loans
Oil and gas	1,623	626,117	55.03%	21.69%
Manufacturing	691	266,467	23.42%	9.23%
Power	110	42,439	3.73%	1.47%
Others	526	202,751	17.82%	7.02%
Total US\$ loans	2,949	1,137,774	100.00%	39.42%



Cumulative Restructured Loans – Q3 2020

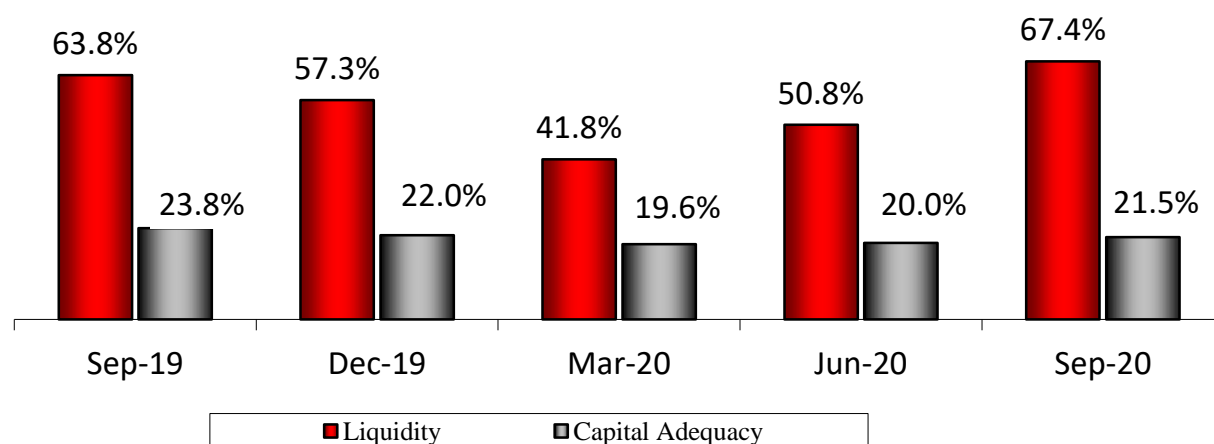
Restructured Loans by sector	N'm	% to Restructured loans	% to Gross loans
Oil and gas	363,755	68.97%	12.60%
Manufacturing	10,564	2.00%	0.37%
Power	21,924	4.16%	0.76%
Public	89,275	16.93%	3.09%
Others	41,900	7.94%	1.45%
Total restructured loans	527,418	100.00%	18.27%



Strong Capitalisation

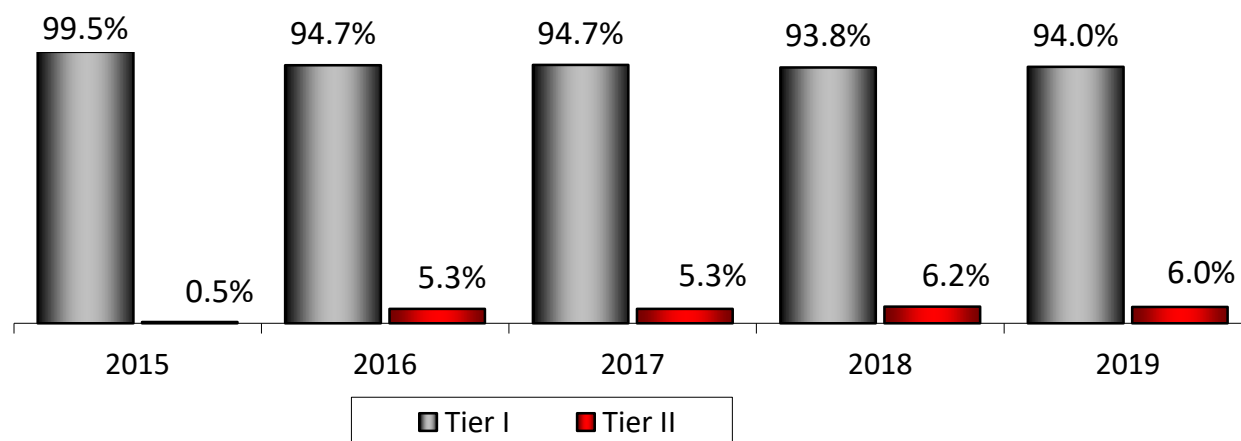
- Solid and high-quality capital position provides room for further growth.

Liquidity & Capital Adequacy



Capital and liquidity ratios – well above regulatory requirements of 30% for Liquidity and 15% for Capital Adequacy Ratio.

Capital Mix



Capital base – predominantly made up of Tier 1 (core capital) which consists of share capital and reserves.



Business Segments Performance & Subsidiary Review

Performance – By Business Segments

- Continuous diversification and improved profitability across core business segments.
- Contribution of retail segment to gross revenue increased from 11.0% to 12.4% YoY.

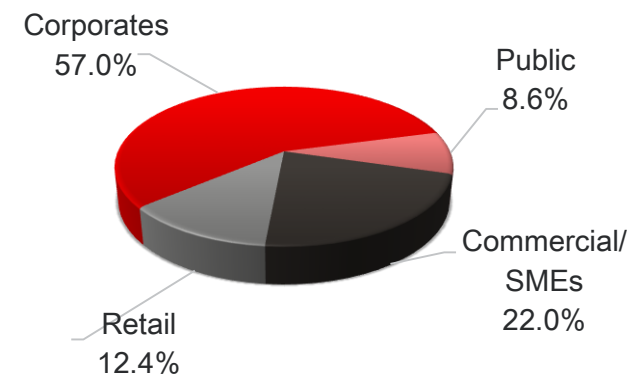
9 Months Ended September 2020

(₹million)

	Corporates	Public	Commercial/ SMEs	Retail	Consolidated
Total revenue	290,013	43,756	111,935	63,091	508,795
Total expenses	-195,592	-29,670	-74,071	-32,179	-331,512
Profit before tax	94,421	14,086	37,864	30,912	177,283

Gross Revenue

Q3 2020

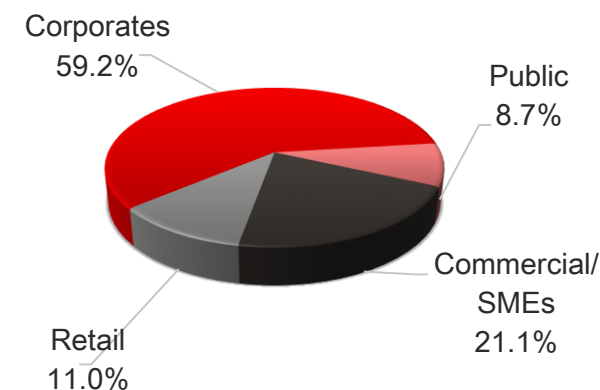


9 Months Ended September 2019

(₹million)

	Corporates	Public	Commercial/ SMEs	Retail	Consolidated
Gross revenue	290,735	42,631	103,633	54,269	491,268
Total expenses	-195,457	-26,706	-67,779	-25,143	-315,085
Profit before tax	95,278	15,925	35,854	29,125	176,183

Q3 2019

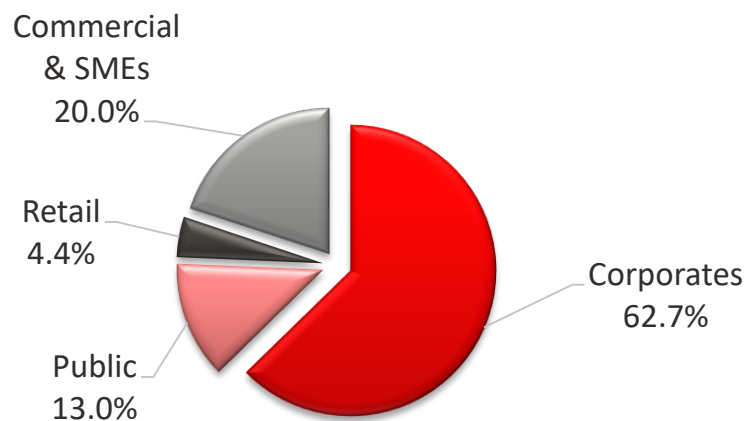


Loans & Deposits – By Business Segments

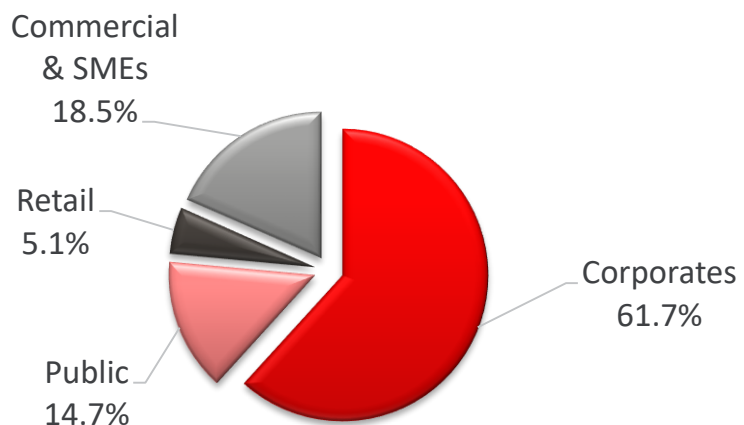
- Our intense retail drive continues to impact positively on our deposit growth and mix as the contribution of retail deposits to total deposits grew from 26.0% to 33.4% YTD while total deposits grew by 22.6% over the same period.

Gross Loans

Q3 2020 Gross Loans – ~~₹~~2.89 Trillion

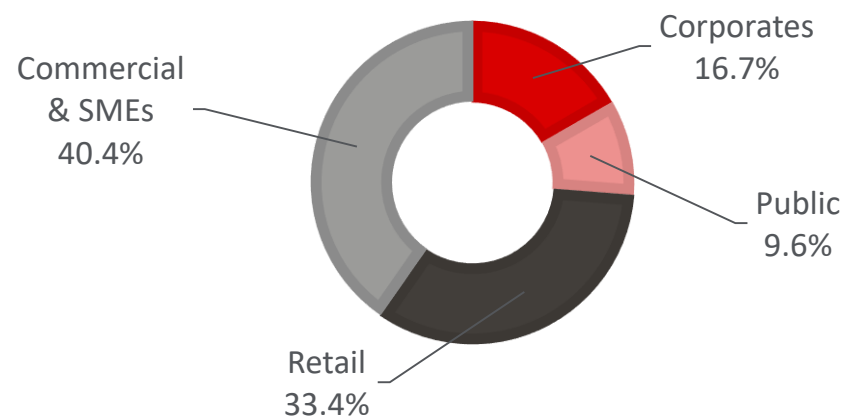


FYE 2019 Gross Loans – ~~₹~~2.46 Trillion

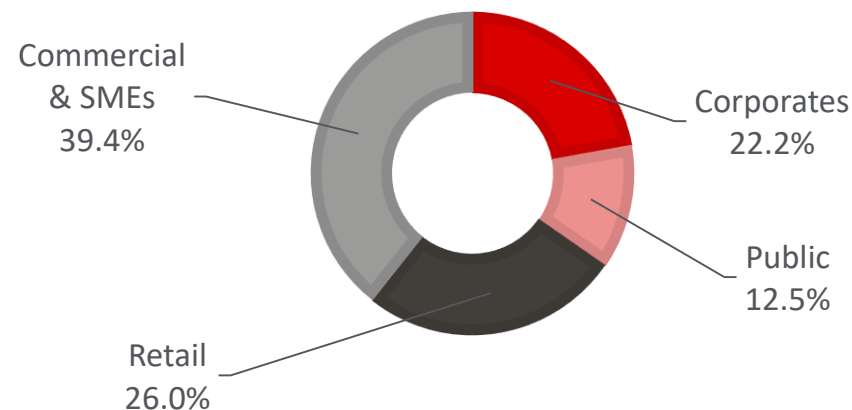


Total Deposit

Q3 2020 Total Deposits – ~~₹~~5.22 Trillion



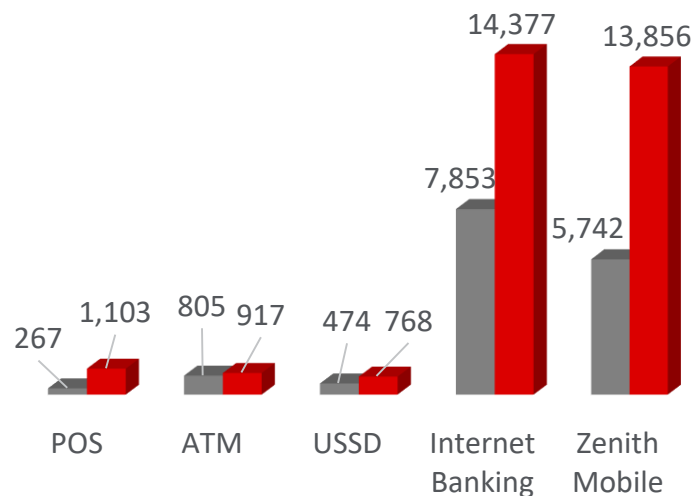
FYE 2019 Total Deposits – ~~₹~~4.26 Trillion



Electronic Banking Products Performance by Channels.

Value of Electronic Product Transactions

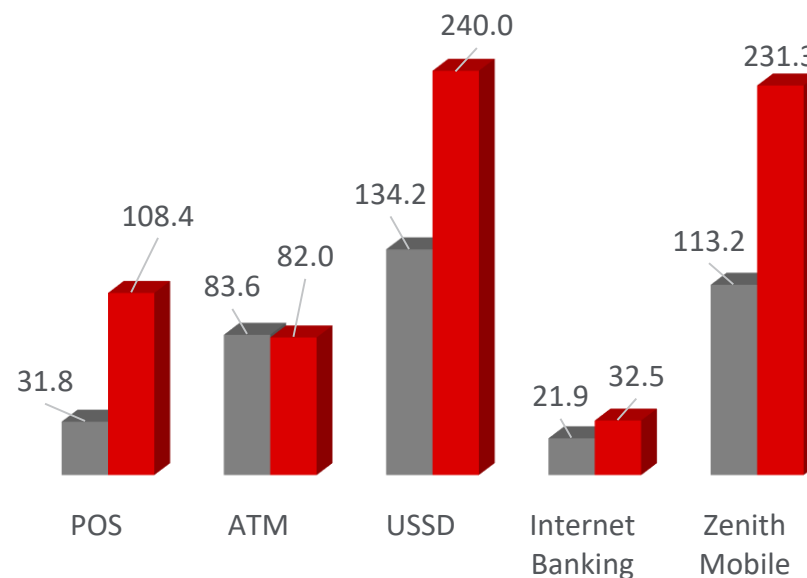
	Q3 2020	Q3 2019	YoY
Total Transaction Value (N'bn)	31,021	15,141	105%



■ Value (N'bn) - Jan. 2019 to Sept. 2019
 ■ Value (N'bn) - Jan. 2020 to Sept. 2020

Number of Electronic Product Transactions

	Q3 2020	Q3 2019	YoY
Total Number of Transactions (million)	694.2	384.7	80%



■ Number (million) - Jan. 2019 to Sept. 2019
 ■ Number (million) - Jan. 2020 to Sept. 2020

Agency Banking

The bank launched its Agency Banking in June 2019 and has experienced impressive growth in both value and volume of transactions.

- ✓ Transaction Value (Jun. to Dec. 2019) - **N56.2bn**
- ✓ Transaction Value (Jan. to Sept. 2020) - **N689.4bn**

- ✓ Number of Transactions (Jun. to Dec. 2019) - **7.5m**
- ✓ Number of Transactions (Jan. to Sept. 2020) - **60.1m**

Geographical Presence

The Bank and its Subsidiaries

Zenith Bank Plc. (Parent)

Established: 1990
Branches: 390
2020 Q3 PBT: ₦145.9Bn
Total deposits: ₦4,381Bn
Total assets: ₦6,819Bn
ROE: 22%
Staff strength: 6,413

Zenith Pension

Established: 2005
Branches: 2
Zenith ownership: 99%
2020 Q3 PBT: ₦6.1Bn
Custody assets: ₦4,714Bn
Total assets: ₦25Bn
ROE: 28%
Staff strength: 106

Zenith Nominee

Established: 2018
Branches: 1
Zenith ownership: 99%
2020 Q3 PBT: ₦266M
Custody assets: ₦615Bn
Total assets: ₦1.9Bn
ROE: 20%
Staff strength: 7

Gambia

Established: 2009
Zenith ownership: 99.96%
Branches: 6
2020 Q3 PBT: ₦638M
Total deposits: ₦15Bn
Total assets: ₦22Bn
ROE: 14%
Staff strength: 136

Ghana

Established: 2005
Zenith ownership: 98.07%
Branches: 28
2020 Q3 PBT: ₦21.6Bn
Total deposits: ₦292Bn
Total assets: ₦480Bn
ROE: 27%
Staff strength: 695

Sierra Leone

Established: 2008
Zenith ownership: 99.99%
Branches: 7
2020 Q3 PBT: ₦1.1Bn
Total deposits: ₦14Bn
Total assets: ₦26Bn
ROE: 25%
Staff strength: 150

United Kingdom

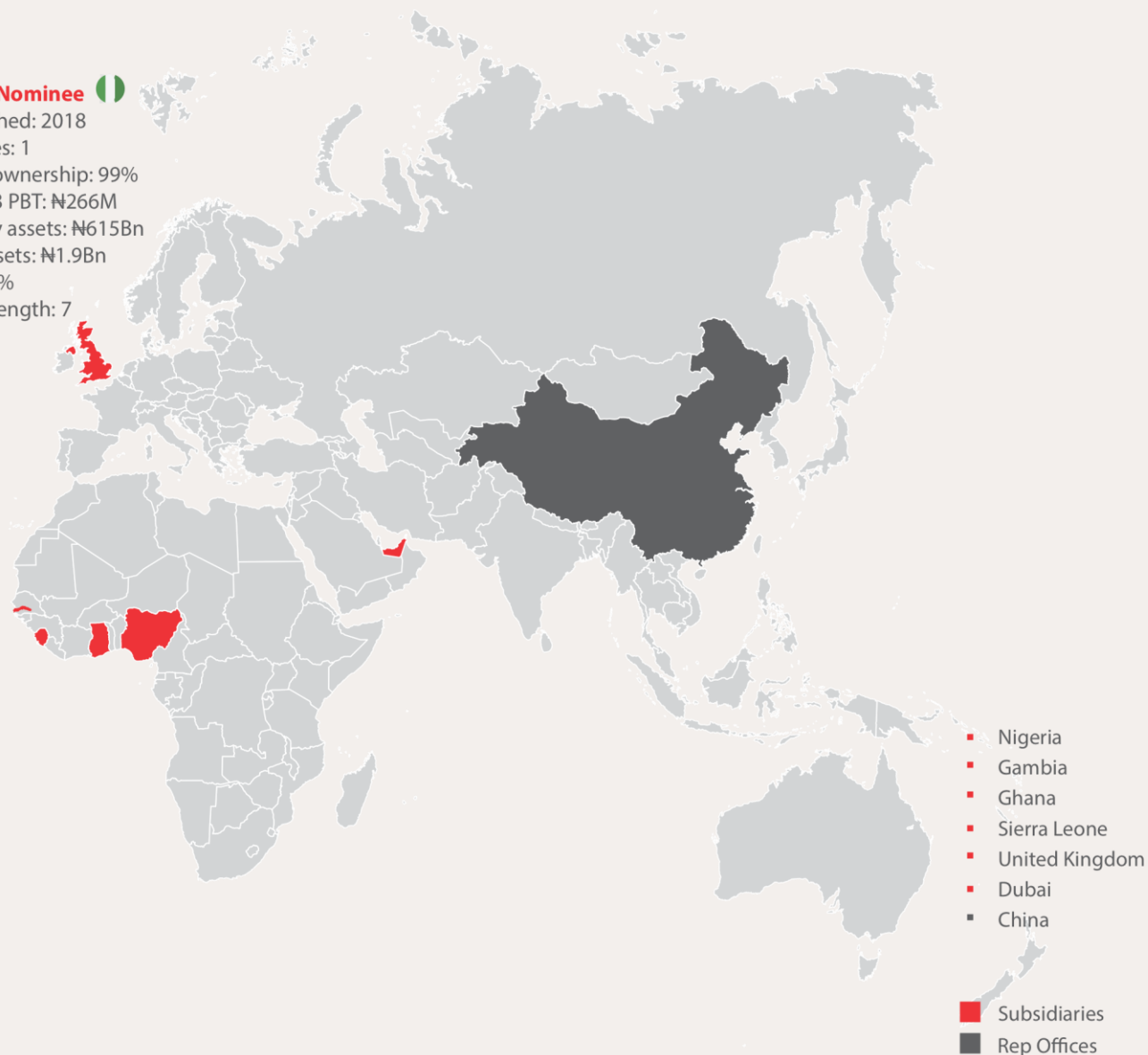
Established 2007
Zenith ownership: 100%
Branches: 2
2020 Q3 PBT: ₦5.6Bn
Total deposits: ₦521Bn
Total assets: ₦743Bn
ROE: 6%
Staff strength: 130

UAE

Branch of Zenith UK
Established 2016
1 branch

China

Representative Office
Established 2011



Performance by Geography

- Nigeria and the rest of Africa reported growth in profitability YoY.
- Europe recorded a drop in profitability as it was the most impacted by Covid 19 (due to the prolonged lockdown).

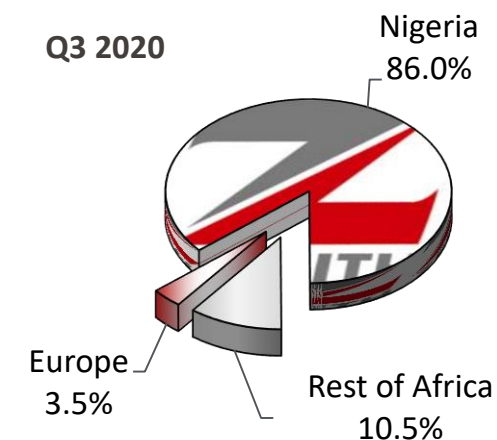
9 Months Ended September 2020

(₦'million)

	Nigeria	Rest of Africa	Europe	Eliminations	Consolidated
Total Revenue	441,593	53,941	17,816	(4,375)	508,975
Total expense	(289,266)	(30,581)	(12,220)	375	(331,692)
Profit before tax	152,327	23,360	5,596	(4,000)	177,283
Tax	(11,408)	(5,429)	(1,131)	-	(17,968)
Profit after tax	140,919	17,931	4,465	(4,000)	159,315

Total Revenue

Q3 2020

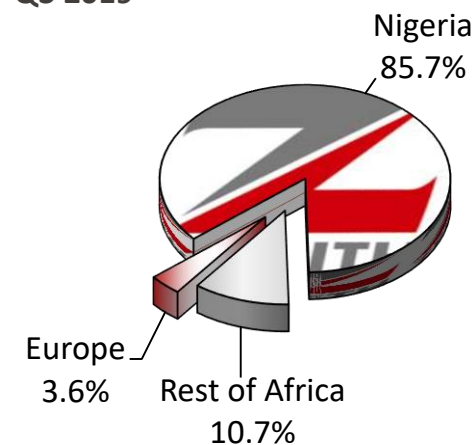


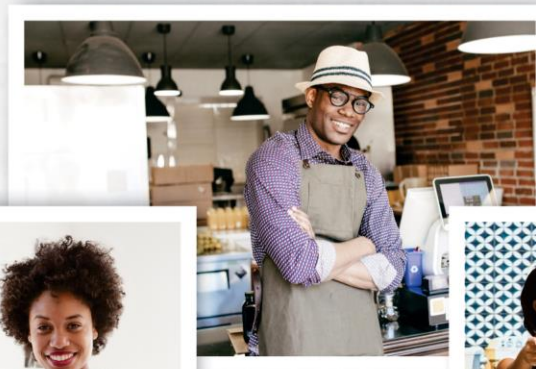
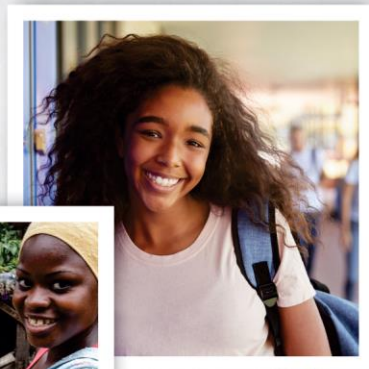
9 Months Ended September 2019

(₦'million)

	Nigeria	Rest of Africa	Europe	Eliminations	Consolidated
Total Revenue	425,818	53,026	18,012	(5,588)	491,268
Total expense	(274,021)	(31,988)	(10,664)	1,588	(315,085)
Profit before tax	151,797	21,038	7,348	(4,000)	176,183
Tax	(19,450)	(4,798)	(1,212)	-	(25,460)
Profit after tax	132,347	16,240	6,136	(4,000)	150,723

Q3 2019





Strategy & Outlook

Strategies for Driving our Vision

1

Compete aggressively for market share, but focus on high quality assets while adopting cost reduction strategies

- The Bank focuses on cost effective deposits from the retail end of the market to lend to the corporate end with emphasis on emerging business opportunities.

2

Delivering superior service experience to all clients and customers

- The Bank accomplishes this strategy by:
- Use of robust digital platform.
- Consistent focus and investment in attracting and keeping quality people.
- Employing cutting edge technology.
- Deploying excellent customer service.

3

Effective Risk Management

- Entrenched strong risk management and corporate governance practices.
- Value preservation is absolutely important.

4

Treasury Management

- We are taking advantage of our liquidity in Naira and foreign currencies to optimize our yields in the FX and money markets.

5

Develop specific solutions for each segment of our customers base

- Leveraging our capabilities and brand strength to consistently meet our clients' needs.
- Developing a strong Zenith Bank platform to serve as an integrated financial solutions provider to our diverse customers base.

6

Retail and Digital Footprint

- Deepen retail market penetration by leveraging on our digital platforms.
- Continue to create innovative solutions to grow market share.
- Increase the volume of our transactions within the digital space

Our Key Growth Target Sectors

Driving Profitability with our Competitive Advantages

Identified Growth Sectors

- Retail/SMEs
- Agriculture
- Healthcare/Pharmaceuticals
- Infrastructure
- Manufacturing
- Petrochemicals
- Real Estate and Construction
- Service Industry
- Telecoms
- Transportation and General Commerce

Competitive Advantage

- Strong capital and liquidity
- Strong brand
- Robust risk management framework
- Extensive branch network
- Robust ICT and digital channels
- Well motivated staff force
- Excellent customer services

Guidance for FYE 2020

	FYE 2020 Guidance	9 Months – Q3 2020 Achieved	FYE 2019 Achieved
PBT	₦253.0Bn	₦177.3Bn	₦243.3Bn
Effective Tax Rate	12.0%	10.1%	14.2%
PAT	₦222.6Bn	₦159.3Bn	₦208.8Bn
ROAE	22.0%	21.5%	23.8%
ROAA	3.3%	3.0%	3.4%
NIM	8.5%	8.3%	8.2%
Cost of Funds	3.0%	2.2%	3.0%
Cost of Risk	2.0%	1.3%	1.1%
Cost to Income	48.0%	52.5%	48.8%
Deposit Growth	10.0%	22.6%	15.5%
Loan Growth	10.0%	17.2%	22.1%
Loan to Deposit (Group)	58.0%	55.3%	57.8%
Loan to Deposit (Bank)	69.0%	63.2%	68.6%
Capital Adequacy	20.0%	21.5%	22.0%
Liquidity Ratio	55.0%	67.4%	57.3%
NPL	4.8%	4.8%	4.3%
NPL Coverage	150.0%	126.8%	148.2%

Thank You

© 2020 ZENITH BANK PLC | Third Quarter Group Results Presentation to Investors & Analysts