



**Zenith Bank Plc**  
**Group Unaudited Results for the Period ended 31 March 2023**

**ZENITH BANK PLC RELEASES UNAUDITED Q1 2023 RESULTS**

LAGOS, NIGERIA - 28 April 2023 - Zenith Bank Plc, (Bloomberg: ZENITHBA NL) (“Zenith” or the “Bank”), the Nigerian bank headquartered in Lagos, announces its unaudited results for the period ended 31 March 2023.

**Financial Highlights**

<b>Income statement</b>			
<i>In millions of Naira</i>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>% Change</b>
<b>Gross earnings</b>	269,994	191,523	41%
Interest and similar income	191,632	126,384	52%
Interest and similar expense	(70,843)	(25,845)	174%
<b>Net interest income</b>	<b>120,789</b>	<b>100,539</b>	<b>20%</b>
Impairment charge	(7,730)	(6,759)	14%
Non-interest income	72,752	57,230	27%
Operating expenses	(99,206)	(83,019)	19%
<b>Profit before tax</b>	<b>86,605</b>	<b>67,991</b>	<b>27%</b>
<b>Profit after tax</b>	<b>66,012</b>	<b>58,198</b>	<b>13%</b>
Earnings per share (NGN)	2.10	1.85	14%
<b>Balance sheet</b>			
<i>In millions of Naira</i>	<b>31-Mar-23</b>	<b>31-Dec-22</b>	<b>% Change</b>
<b>Assets</b>			
Gross loans	4,146,571	4,123,966	1%
Customers' deposits	9,136,259	8,975,653	2%
Total assets	13,359,216	12,285,629	9%
Shareholders' fund	1,441,557	1,378,940	5%
<b>Key ratios</b>	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>% Change</b>
Return on average equity (ROAE)	18.7%	17.8%	5%
Return on average assets (ROAA)	2.1%	2.4%	-13%
Net interest margin (NIM)	6.9%	7.3%	-5%
Cost of funds	2.7%	1.3%	108%
Cost of risk	0.7%	0.8%	-13%
Cost to income	53.4%	55.0%	-3%
Liquidity ratio - <b>Group</b>	72.0%	75.0%	-4%
Liquidity ratio - <b>Bank</b>	54.6%	67.0%	-19%
Loan to deposit ratio - <b>Group</b>	45.4%	45.9%	-1%
Loan to deposit ratio - <b>Bank</b>	48.8%	51.6%	-5%
Capital adequacy ratio (CAR)	19.5%	19.8%	-2%
Non-performing loan	4.30%	4.30%	0%
Coverage ratio	117.0%	115.9%	1%



The Zenith Bank Group achieved a year-on-year (YoY) growth in gross earnings of 41% from NGN191.5 billion reported in Q1 2022 to NGN270 billion in Q1 2023. This double-digit growth in the topline also spurred our bottom line as the Group recorded a 27% YoY increase in profit before tax, growing from NGN68 billion in Q1 2022 to NGN86.6 billion in Q1 2023. Profit after tax grew by 13% from NGN58.2 billion to NGN66 billion in the same period. The growth in the topline was driven by strong growth in both interest income and non-interest income.

Interest income grew by 52% from NGN126.4 billion in Q1 2022 to NGN191.6 billion in Q1 2023, while non-interest income grew by 27% from NGN57.2 billion to NGN72.8 billion. The growth in interest income is attributed to the impact of the repricing of our risk assets while the growth in non-interest income came mainly from loan recoveries and foreign currency revaluation gains.

In terms of efficiency, our cost-to-income ratio improved from 55% to 53.4% in the current period on the back of an enhanced income line. Our cost of risk also moderated downwards from 0.8% to 0.7% in the same period due to an increased loan book. However, the cost of funding doubled YoY from 1.3% in Q1 2022 to 2.7% in Q1 2023 due to the significant spike in interest rates between both periods as interest expense grew from NGN25.8 billion in Q1 2022 to NGN70.8 billion in Q1 2023. This affected our net interest margin (NIM) which reduced from 7.3% to 6.9% over the same period.

Total assets grew by 9% from NGN12.29 trillion in December 2022 to NGN13.36 trillion in March 2023, mainly driven by growth in customers' deposits and other funding sources like borrowings. Customer deposits grew by 2% from N8.98 trillion in December 2022 to N9.14 trillion in March 2023.

Loans and advances also grew marginally by 1% from NGN4.12 trillion in December 2022 to NGN4.15 trillion in March 2023 as customers continue to adjust to the full impact of higher rates on risk assets. The capital adequacy ratio and liquidity ratio both remain strong at 19.5% and 72% respectively, both prudential ratios are clearly above the regulatory thresholds.

In 2023, the Group will continue to focus on sustainable growth across all its business segments, as it reorganises into a holding company structure, add new verticals to its businesses and expand into new frontiers.

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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 September 17, 2004 and was listed on the Nigerian Stock Exchange on October 21, 2004 following a highly successful Initial Public Offering (IPO). Zenith Bank listed on the London Stock Exchange via a non-capital raising GDR on March 21, 2013. The Bank presently has a shareholder base of over half a million, an indication of the strength of the Zenith brand.*

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

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