

# ZENITH BANK PLC

Zenith Heights, Plot 87 Ajose Adeogun Street, Victoria Island, Lagos



## SUMMARY INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED 30 JUNE 2019

The Directors present the summary interim financial information of Zenith Bank PLC for the period ended 30 June 2019. These summary interim financial information are derived from the full interim financial statements for the period ended 30 June 2019 and are not the full interim financial statements of the Bank. The full interim financial statements, from which these summary interim financial information were derived, will be delivered to the Corporate Affairs Commission within the required deadline. The Bank's Auditors issued an unmodified audit opinion on the full interim financial statements for the period ended 30 June 2019 from which these summary interim financial information were derived.

### CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

#### FOR THE SIX MONTHS ENDED 30 JUNE

In millions of Naira	Group 30 JUNE 2019	Group 30 JUNE 2018	Bank 30 JUNE 2019	Bank 30 JUNE 2018
<b>Gross earnings</b>	<b>331,586</b>	<b>322,201</b>	<b>284,481</b>	<b>276,251</b>
Interest and similar income	214,601	228,670	177,225	193,839
Interest and similar expense	(72,086)	(74,709)	(61,385)	(65,154)
<b>Net Interest income</b>	<b>142,515</b>	<b>153,961</b>	<b>115,840</b>	<b>128,685</b>
Impairment loss on financial and non-financial instruments	(13,735)	(9,720)	(13,156)	(8,373)
<b>Net interest income after impairment loss on financial and non-financial instruments</b>	<b>128,780</b>	<b>144,241</b>	<b>102,684</b>	<b>120,312</b>
Net income on fees and commission	55,815	41,772	48,513	32,945
Trading gains	45,101	36,807	45,101	36,807
Other operating income	8,814	10,016	7,663	8,091
Depreciation of property and equipment	(9,791)	(7,967)	(8,659)	(7,001)
Amortisation of intangible assets	(1,514)	(1,117)	(1,387)	(1,013)
Personnel expenses	(38,725)	(34,808)	(30,611)	(29,133)
Operating expenses	(76,803)	(81,586)	(71,793)	(74,934)
<b>Profit before tax</b>	<b>111,677</b>	<b>107,358</b>	<b>91,511</b>	<b>86,074</b>
Minimum tax	(1,860)	(1,664)	(1,860)	(1,664)
Income tax expense	(20,935)	(23,957)	(14,290)	(18,016)
<b>Profit for the period after tax</b>	<b>88,882</b>	<b>81,737</b>	<b>75,361</b>	<b>66,394</b>
<b>Other comprehensive income:</b> items that will never be reclassified to profit or loss:				
Fair value movements on equity instruments at FVOCI	338	683	338	683
<b>items that are or may be reclassified to profit or loss:</b>				
Foreign currency translation differences for foreign operations	(6,441)	517	-	-
Fair value movement on debt securities at FVOCI	97	-	-	-
<b>Other comprehensive (loss)/income for the period</b>	<b>(6,006)</b>	<b>1,200</b>	<b>338</b>	<b>683</b>
<b>Total other comprehensive income for the period</b>	<b>82,876</b>	<b>82,937</b>	<b>75,699</b>	<b>67,077</b>
<b>Profit attributable to:</b>				
Equity holders of the parent	88,806	81,558	75,361	66,394
Non controlling interest	76	179	-	-
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	82,844	82,769	75,699	67,077
Non controlling interest	32	168	-	-
<b>Key financial information</b>				
Earnings per share (Basic and diluted) - N	2.83	2.60	2.40	2.11
Dividend per share (proposed) - N	30k	30k	30k	30k
Total non-performing credit facilities (N'millions)	103,373	103,301	93,251	95,097
Total non-performing credit facilities to total credit facilities (%)	5.30%	4.90%	4.98%	4.75%
<b>Description</b>	<b>Number</b>	<b>Amount claimed</b>	<b>Amount refunded</b>	
<b>In millions of Naira</b>				
Pending complaints brought forward	188	17,033	N/A	
Received complaints	199	1,800	N/A	
Resolved complaints	129	1,756	267	
Unresolved complaints escalated to CBN for intervention/complaints carried forward	258	17,077	-	
There was no other refunds to customers during the period (31 December 2018: N9.37m)				

### CONSOLIDATED AND SEPARATE STATEMENTS OF FINANCIAL POSITION

#### AS AT

In millions of Naira	Group 30 JUNE 2019	Group 31 DEC 2018	Bank 30 JUNE 2019	Bank 31 DEC 2018
<b>Assets</b>				
Cash and balances with central banks	769,455	954,416	721,814	902,073
Treasury bills	1,006,717	1,000,560	832,003	817,043
Assets pledged as collateral	517,429	592,935	517,429	592,935
Due from other banks	857,376	674,274	533,064	393,466
Derivative assets	65,709	88,826	65,709	88,826
Loans and advances	1,801,833	1,823,111	1,732,839	1,736,066
Investments securities	557,485	565,312	186,915	156,673
Investment in subsidiaries	-	-	34,625	34,003
Deferred tax asset	11,846	9,513	10,988	9,197
Other assets	126,113	80,948	123,181	75,910
Property and equipment	167,881	149,137	149,345	133,854
Intangible assets	16,752	16,678	15,556	15,399
<b>Total Assets</b>	<b>5,898,596</b>	<b>5,955,710</b>	<b>4,923,468</b>	<b>4,955,445</b>
<b>Liabilities</b>				
Customers' deposits	3,810,025	3,690,295	2,988,298	2,821,066
Derivative liabilities	6,685	16,995	6,685	16,995
Current income tax payable	14,525	9,154	9,175	5,954
Deferred tax liabilities	23	67	-	-
Other liabilities	256,076	231,716	231,721	223,463
On-lending facilities	398,393	393,295	398,393	393,295
Borrowings	412,264	437,260	435,865	458,463
Debt securities issued	181,091	361,177	181,091	361,177
<b>Total Liabilities</b>	<b>5,079,082</b>	<b>5,139,959</b>	<b>4,251,228</b>	<b>4,280,413</b>
<b>Capital and reserves</b>				
Share capital	15,698	15,698	15,698	15,698
Share premium	255,047	255,047	255,047	255,047
Retained earnings	314,695	322,237	224,200	238,635
Other reserves	233,378	221,231	177,295	165,652
Attributable to equity holders of the parent	818,818	814,213	672,240	675,032
Non-controlling interest	696	1,538	-	-
<b>Total shareholders' equity</b>	<b>819,514</b>	<b>815,751</b>	<b>672,240</b>	<b>675,032</b>
<b>Total liabilities and equity</b>	<b>5,898,596</b>	<b>5,955,710</b>	<b>4,923,468</b>	<b>4,955,445</b>

The financial statements were approved by the Board of Directors for issue on 23 July, 2019 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

### INDEPENDENT AUDITOR'S REPORT

#### INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Zenith Bank PLC

Report on the Summary Interim Financial Information

#### Opinion

The summary interim financial information, which comprise the consolidated and separate statements of financial position as at 30 June, 2019 and the consolidated and separate statements of profit or loss and other comprehensive income, are derived from the audited consolidated and separate interim financial statements of Zenith Bank PLC for the period ended June 30 2019.

In our opinion, the accompanying summary interim financial information are consistent, in all material respects, with the audited consolidated and separate interim financial statements, in accordance with the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, and the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria, 2004.

#### Summary Interim Financial Information

The summary interim financial information do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, the Financial Reporting Council of Nigeria Act, 2011, the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004 and other relevant Central Bank of Nigeria guidelines and circulars. Reading the summary interim financial information and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate interim financial statements and the auditor's report thereon.

#### The Audited Interim Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated and separate interim financial statements in our report dated 8 August 2019. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

#### Directors' Responsibility for the Summary Interim Financial Information

The Directors are responsible for the preparation of the summary interim financial information in accordance with the Companies and Allied Matters Act, Cap C.20, Laws of the Federation of Nigeria, 2004, and the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004.

#### Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary interim financial information are consistent, in all material respects, with the audited consolidated and separate interim financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

#### Report on Other Legal and Regulatory Requirements

Compliance with Section 27 (2) of the Banks and Other Financial Institutions Act, Cap B.3, Laws of the Federation of Nigeria 2004 and Central Bank of Nigeria circular BSD/1/2004

The Bank paid a penalty in respect of a contravention of the Banks and Other Financial Institutions Act during the period ended 30 June 2019. Related party transactions and balances are disclosed in the audited consolidated and separate interim financial statements.

Oluwafemi O. Awotoye, FCA  
FRC/2013/ICAN/00000001182  
For: KPMG Professional Services  
Chartered Accountants  
8 August 2019  
Lagos, Nigeria



The above summarized financial statements and report of the independent auditor are published in accordance with the requirements of S. 27 of the Banks and Other Financial Institutions Act.

**THE BOARD** | Chairman: Jim Ovia, CON | Group Managing Director/CEO: Ebenezer Onyeagwu | Non-Executives: Mr. Jeffrey Efeiyini, Prof. Chukuka Enwemeka, Prof. Oyewusi Ibidapo-Obe, Mr. Gabriel Ukpeh, Engr. Mustafa Bello | Deputy Managing Director: Dr. Adaora Umeoji | Executives: Ahmed Umar Shuaib, Dr. Temitope Fasoranti, Dennis Olisa.