


ZENITH BANK PLC

RC: 150224



HEAD OFFICE

 Zenith Heights, Plot 84/87 Ajose Adeogun Street,
 P. O. Box 75315, Victoria Island, Lagos.
 Tel: (01) 2787000, 2927000, 4647000
 www.zenithbank.com | SWIFT: ZEIBNGLA

CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2022

THE BOARD

Chairman: Jim Ovia, CON. **Group Managing Director/CEO:** Ebenezer Onyeagwu | **Deputy Managing Director:** Adaora Umeoji
Executive Directors: Ahmed Umar Shuaib | Temitope Fasoranti | Dennis Olisa | Henry Oroh **Non-Executives:** Mr. Jeffrey Efeyini
Prof. Chukuka Enwemeka | Mr. Gabriel Ukpeh | Engr. Mustafa Bello | Dr Al-Mujtaba Abubakar | Omobola Ibadapo-Obe Ogunfowora (PhD)

Index

	Page
Certification pursuant to section 60(2) of Investment and Securities Act No.29 Of 2007	2
Statement of Profit or Loss and Other Comprehensive Income	3 - 4
Statement of Financial Position	5 - 6
Statements of Changes in Equity	7 - 8
Statement of Cash Flows for the Period Ended 30 September 2022	9 - 10
Notes to the Interim Consolidated and Separate Financial Statements	11 - 34

Certification pursuant to section 60(2) of Investment and Securities Act No.29 Of 2007

We the undersigned hereby certify the following with regards to our financial report for the period ended 30 September 2022 that:

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain:
 - i. Any untrue statement of a material fact, or
 - ii. Omission of material fact, which would make the statements misleading in the light of the circumstances under which such statements were made;
- c) To the best of our knowledge, the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operation of the bank as of, and the periods presented in the report.
- d) We:
 - i. Are responsible for establishing and maintaining internal controls;
 - ii. Have designed such internal controls to ensure that material information relating to the bank and its consolidated subsidiary is made known to such officers by others within those entities particularly during the period in which the periodic reports are being prepared;
 - iii. Have evaluated the effectiveness of the bank's internal controls as of date within 90 days prior to the reports;
 - iv. Have presented in the report our conclusions about the effectiveness of our internal controls based on our evaluation as of that date;
- e) We have disclosed to the auditors of the bank and audit committee:
 - i. All significant deficiencies in the design or operation of internal controls which would adversely affect the bank's ability to record, process, summarize and report financial data and have identified for the bank's auditors any material weakness in internal controls, and
 - ii. Any fraud, whether or not material, that involve management or other employees who have significant role in the bank's internal controls;
- f) We have identified in the report whether or not there were significant changes in the internal controls or other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regards to significant deficiencies and material weaknesses .



Jim Ovia, CFR.
Chairman
FRC/2013/CIBN/0000002406



Ebenezer Onyeagwu
Group Managing Director/CEO
FRC/2013/ICAN/0000003788

ZENITH BANK PLC

Consolidated and Separate Interim Financial Statements for the period ended 30 September 2022

Statement of Profit or Loss and Other Comprehensive Income

In millions of Naira	Note	Group				Bank			
		3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
Gross earnings		215,810	620,574	518,673	765,558	192,432	554,596	454,723	677,283
Interest and similar income	13	149,027	390,755	308,844	427,597	134,491	333,391	244,544	340,388
Interest and similar expense	14	(50,864)	(107,848)	(74,098)	(106,793)	(46,486)	(93,461)	(56,008)	(82,718)
Net interest income		98,163	282,907	234,746	320,804	88,005	239,930	188,536	257,670
Impairment charge	15	(11,975)	(37,096)	(28,798)	(59,932)	(12,801)	(35,801)	(26,605)	(56,175)
Net interest income after impairment charge		86,188	245,811	205,948	260,872	75,204	204,129	161,931	201,495
Net fee and commission income	16	35,609	100,057	78,296	103,958	27,859	81,410	65,093	84,185
Trading gains	18	6,249	91,441	90,662	167,483	6,099	87,277	89,960	171,469
Other income	17	21,130	20,474	23,811	37,594	20,515	35,404	38,805	53,266
Depreciation of property and equipment	32	(6,467)	(19,886)	(18,893)	(25,305)	(5,797)	(18,092)	(17,305)	(23,204)
Amortisation of intangible assets	33	(548)	(2,218)	(2,753)	(3,779)	(550)	(1,907)	(2,266)	(3,064)
Personnel expenses		(21,723)	(61,464)	(60,307)	(79,885)	(17,658)	(48,054)	(46,713)	(61,123)
Operating expenses	19	(47,888)	(171,666)	(136,954)	(180,564)	(43,491)	(159,112)	(126,020)	(165,857)
Profit before tax		72,550	202,549	179,810	280,374	62,181	181,055	163,485	257,167
Income tax expense	20a	(9,626)	(28,218)	(19,216)	(35,816)	(7,400)	(18,406)	(9,329)	(24,034)
Profit after tax		62,924	174,331	160,594	244,558	54,781	162,649	154,156	233,133
Other comprehensive income:									
Items that will never be reclassified to profit or loss									
Fair value movements on equity instruments at FVOCI		2,317	8,274	454	5,599	2,317	8,274	454	5,599
Items that are or may be reclassified to profit or loss:									
Foreign currency translation differences		(15,911)	(44,729)	3,847	8,485	-	-	-	-
Fair value movement on debt securities at FVOCI		(3,523)	(11,502)	(1,088)	(2,227)	-	-	-	-
Income tax relating to FV on debt securities at FVOCI		-	-	-	-	-	-	-	-
Other comprehensive income/(loss) for the period		(17,117)	(47,957)	3,213	11,857	2,317	8,274	454	5,599
Total comprehensive income (loss) for the period		45,807	126,374	163,807	256,415	57,098	170,923	154,610	238,732

Statement of Profit or Loss and Other Comprehensive Income

	Notes	Group				Bank			
		3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
Profit attributable to:									
Equity holders of the parent		62,905	174,229	160,463	244,402	54,781	162,649	154,156	233,133
Non-controlling interest		19	102	131	156	-	-	-	-
Total comprehensive income attributable to:									
Equity holders of the parent		45,886	126,521	163,673	256,245	57,098	170,923	154,610	238,732
Non-controlling interest		(79)	(147)	134	170	-	-	-	-
Earnings per share									
Basic and diluted (Naira)	21	2.00	5.55	5.11	7.78	1.74	5.18	4.91	7.43

ZENITH BANK PLC

Consolidated and Separate Interim Financial Statements for the period ended 30 September 2022

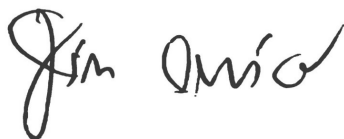
Statement of Financial Position as at 30 September 2022

In millions of Naira	Note(s)	Group			Bank		
		30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
Assets							
Cash and balances with central banks	22	1,871,726	1,581,848	1,488,363	1,805,386	1,481,151	1,397,666
Treasury bills	23	1,952,956	1,788,167	1,764,945	1,898,748	1,565,182	1,577,647
Assets Pledged as Collateral	24	387,669	361,066	392,594	387,658	322,846	357,000
Due From Other Banks	25	1,036,495	576,721	691,244	938,187	390,221	518,053
Derivative assets	26	47,446	54,677	56,187	49,171	52,669	57,476
Loans and advances	27	3,880,021	3,020,414	3,355,728	3,651,634	2,803,653	3,099,452
Investment Securities	28	1,620,975	962,066	1,303,726	592,628	324,147	477,004
Investments in subsidiaries	29	-	-	-	34,625	34,625	34,625
Deferred tax asset	30	1,575	4,847	1,837	-	4,124	-
Other assets	31	294,956	192,757	168,210	287,827	182,309	152,326
Property, plant and equipment	32	222,181	197,596	200,008	207,425	175,232	177,501
Intangible assets	33	25,979	11,428	25,001	24,594	10,063	23,542
Total Assets		11,341,979	8,751,587	9,447,843	9,877,883	7,346,222	7,872,292
Equity and Liabilities							
Liabilities							
Customers' deposits	34	8,042,101	6,040,887	6,472,054	6,755,183	4,906,172	5,169,199
Derivative liabilities	39	7,989	14,754	14,674	9,525	13,450	15,170
Current income tax payable	20	28,219	18,064	16,909	24,700	15,736	14,241
Deferred tax liabilities	30	12,470	-	11,603	12,470	-	11,596
Other liabilities	35	568,077	491,847	487,432	554,168	429,887	427,876
On-lending facilities	36	320,336	385,590	369,241	320,336	385,590	369,241
Borrowings	37	1,054,140	568,005	750,469	1,078,131	584,348	769,395
Debt Securities issued	38	-	45,386	45,799	-	45,386	45,799
Total Liabilities		10,033,332	7,564,533	8,168,181	8,754,513	6,380,569	6,822,517

Statement of Financial Position as at 30 September 2022

In millions of Naira	Notes	Group			Bank		
		30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
Capital and reserves							
Share capital	40	15,698	15,698	15,698	15,698	15,698	15,698
Share premium	41	255,047	255,047	255,047	255,047	255,047	255,047
Retained earnings		638,218	558,041	607,203	485,567	419,136	466,249
Other reserves		398,687	357,160	400,570	367,058	275,772	312,781
Attributable to equity holders of the parent		1,307,650	1,185,946	1,278,518	1,123,370	965,653	1,049,775
Non-controlling interest		997	1,108	1,144	-	-	-
Total shareholders' equity		1,308,647	1,187,054	1,279,662	1,123,370	965,653	1,049,775
Total Equity and Liabilities		11,341,979	8,751,587	9,447,843	9,877,883	7,346,222	7,872,292

The unaudited financial statements were approved by the board of directors for issue on 21st October 2022 and signed on its behalf by:



Jim Ovia, CFR.
Chairman
FRC/2013/CIBN/00000002406



Mr. Ebenezer Onyeagwu
Group Managing Director/CEO
FRC/2013/ICAN/00000003788



Mukhtar Adam, PhD
Chief Financial Officer
FRC/2013/MULTI/00000003196

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Equity for the Period Ended 30 September 2022

In millions of Naira	Note(s)	Share capital	Share premium	Foreign currency translation reserve	Fair value reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings	Total	Non-controlling interest	Total equity
Group												
Balance at 1 January 2021		15,698	255,047	45,058	42,101	231,307	3,729	2,266	521,293	1,116,499	974	1,117,473
Profit for the period		-	-	-	-	-	-	-	160,463	160,463	131	160,594
Foreign currency translation differences		-	-	3,844	-	-	-	-	-	3,844	3	3,847
Fair value movements on equity instruments		-	-	-	454	-	-	-	-	454	-	454
Fair value movements on debt securities		-	-	-	(1,088)	-	-	-	-	(1,088)	-	(1,088)
Total comprehensive income for the period		-	-	3,844	(634)	-	-	-	160,463	163,673	134	163,807
Transfer between reserves	35	-	-	-	-	28,969	-	520	(29,489)	-	-	-
Transactions with owners of the Parent												
Dividends	40	-	-	-	-	-	-	-	(94,226)	(94,226)	-	(94,226)
Balance at 30 September 2021		15,698	255,047	48,902	41,467	260,276	3,729	2,786	558,041	1,185,946	1,108	1,187,054
Balance at 1 January 2022		15,698	255,047	53,529	45,473	275,993	3,729	21,846	607,203	1,278,518	1,144	1,279,662
Profit for the period		-	-	-	-	-	-	-	174,229	174,229	102	174,331
Foreign currency translation differences		-	-	(44,480)	-	-	-	-	-	(44,480)	(249)	(44,729)
Fair value movements on equity instruments		-	-	-	8,274	-	-	-	-	8,274	-	8,274
Fair value movements on debt securities		-	-	-	(11,502)	-	-	-	-	(11,502)	-	(11,502)
Total comprehensive income for the period		-	-	(44,480)	(3,228)	-	-	-	174,229	126,521	(147)	126,374
Transfer between reserves	41	-	-	-	-	26,790	-	19,035	(45,825)	-	-	-
Transactions with owners of the Parent												
Dividends		-	-	-	-	-	-	-	(97,389)	(97,389)	-	(97,389)
Balance at 30 September 2022		15,698	255,047	9,049	42,245	302,783	3,729	40,881	638,218	1,307,650	997	1,308,647

Statement of Changes in Equity for the Period Ended 30 September 2022

In millions of Naira	Note(s)	Share capital	Share premium	Fair value reserve	Statutory reserve	SMIEIS reserve	Credit risk reserve	Retained earnings	Total equity
Bank									
Balance at 1 January 2021		15,698	255,047	40,023	208,443	3,729	-	382,292	905,232
Profit for the period		-	-	-	-	-	-	154,156	154,156
Fair value movements on equity instruments		-	-	454	-	-	-	-	454
Total comprehensive income for the period		-	-	454	-	-	-	154,156	154,610
Transfer between reserves		-	-	-	23,123	-	-	(23,123)	-
Dividends		-	-	-	-	-	-	(94,189)	(94,189)
Balance at 30 September 2021		15,698	255,047	40,477	231,566	3,729	-	419,136	965,653
Balance at 1 January 2022		15,698	255,047	45,622	243,414	3,729	20,016	466,249	1,049,775
Profit for the period		-	-	-	-	-	-	162,649	162,649
Fair value movements on equity instruments		-	-	8,274	-	-	-	-	8,274
Total comprehensive income for the period		-	-	8,274	-	-	-	162,649	170,923
Transfer between reserves		-	-	-	24,397	-	21,606	(46,003)	-
Dividends		-	-	-	-	-	-	(97,327)	(97,327)
Balance at 30 September 2022		15,698	255,047	53,896	267,811	3,729	41,622	485,567	1,123,370

The accompanying notes are an integral part of these consolidated and separate financial statements.

Statement of Cash Flows for the Period Ended 30 September 2022

In millions of Naira	Note(s)	Group			Bank		
		30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
Cash flows from operating activities							
Profit before tax for the period		202,549	179,810	280,374	181,055	163,485	257,167
Adjustments for:							
Net impairment loss on financial and non-financial instruments		37,096	28,798	59,932	35,801	26,605	56,175
Unrealised fair value change in trading bond, bills and derivatives		(38,574)	(48,613)	(94,564)	(37,970)	(50,676)	(97,873)
Depreciation of property and equipment		19,886	18,893	25,305	18,092	17,305	23,204
Amortisation of intangible assets		2,218	2,753	3,779	1,907	2,266	3,064
Dividend income		(2,526)	(2,395)	(2,754)	-	(18,827)	(19,186)
Foreign exchange revaluation gain		(11,141)	(15,422)	(25,537)	(18,572)	(14,490)	(26,012)
Write-off of Intangible		-	2,454	2,454	(10,353)	2,454	2,454
Interest income		(390,755)	(308,844)	(427,597)	(333,391)	(244,544)	(340,388)
Interest expense		107,848	74,098	106,793	93,461	56,008	82,718
Gain on sale of property and equipment		(2,517)	(77)	(77)	(2,408)	(72)	(69)
Modification Loss		-	-	353	-	-	-
		(75,916)	(68,545)	(71,792)	(72,378)	(60,486)	(58,746)
Changes in operating assets and liabilities:							
Net (increase)/decrease in loans and advances		(490,785)	(207,782)	(536,014)	(514,145)	(128,058)	(409,303)
Net (increase)/decrease in other assets		(119,905)	(25,093)	1,362	(127,554)	(24,987)	6,896
Net decrease/(increase) in treasury bills (FVTPL) including bills pledged		429,619	(302,095)	(97,724)	427,288	(448,599)	(95,938)
Net (increase)/decrease in investment securities including bonds pledged (FVTPL and FVOCI)		572,341	52,368	(160,011)	(352)	27,602	33,389
Net (increase)/decrease in restricted balances (cash reserves)		(363,635)	(6,585)	80,525	(375,924)	14,305	95,418
Net decrease in due from banks with maturity greater than three months and restricted cash		(454,527)	35,686	139,061	(182,367)	59,964	75,556
Net increase in customer deposits		1,465,839	740,718	1,091,293	1,530,545	636,878	823,850
Net increase/(decrease) in Other liabilities		87,949	(251,918)	(225,060)	130,989	(209,332)	(180,330)
Interest received from operating activities		238,635	318,863	286,640	215,823	254,563	253,341
Interest paid		(75,163)	(80,264)	(107,051)	(63,211)	(65,203)	(83,695)
Tax paid		(15,779)	(11,903)	(15,045)	(7,073)	(2,100)	(2,581)
Net cash flows generated from operations		1,198,673	193,450	386,437	961,641	54,547	457,857
Cash flows from investing activities							
Purchase of property, plant and equipment		(53,628)	(24,826)	(34,109)	(52,945)	(22,681)	(31,584)
Proceeds from Sale of property, plant and equipment		9,486	335	448	9,058	368	437
Purchase of intangible assets		(3,259)	(304)	(14,884)	(2,959)	(84)	(14,362)
Additions to treasury bills		(1,757,226)	-	(2,652,094)	(1,701,671)	-	(2,346,839)
Disposal of treasury bills		2,021,414	-	2,449,816	1,888,343	-	2,056,995
Interest received from treasury bills and investment securities		86,890	-	78,970	52,338	-	41,492
Acquisition of Right of Use Asset		(856)	-	(240)	(696)	-	(150)
Additions to other Investment securities		(900,814)	-	(300,852)	(130,449)	-	(159,577)
Disposal of other Investment securities		75,126	-	230,056	51,793	-	75,928
Proceeds from sale of financial instruments		-	-	251	-	-	-
Dividends received		2,527	2,395	2,754	18,573	18,827	19,186
Net cash from investing activities		(520,340)	(22,400)	(239,884)	131,385	(3,570)	(358,474)

Statement of Cash Flows for the Period Ended 30 September 2022

In millions of Naira	Note(s)	Group			Bank		
		30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
Cash flows from financing activities							
Repayment & Repurchase of debt securities issued		(44,841)	-	-	(44,841)	-	-
Cash inflow from long term borrowings		1,051,998	353,018	712,420	1,050,235	336,214	693,944
Repayment of long term borrowings		(777,117)	(692,460)	(860,123)	(777,117)	(655,076)	(826,805)
Cash inflow from onlending facility		-	15,240	14,482	-	15,240	14,482
Repayment of onlending facility		(52,532)	(14,238)	(33,011)	(52,532)	(14,238)	(33,011)
Repayment of principal for lease liability		(10,860)	(1,935)	(2,802)	(10,480)	(907)	(2,007)
Unclaimed dividend received		-	-	612	-	-	612
Dividends paid to shareholders		(97,389)	(94,226)	(94,226)	(97,327)	(94,189)	(94,189)
Net cash used in financing activities		69,259	(434,601)	(262,648)	67,938	(412,956)	(246,974)
Net (decrease)/increase in cash and cash equivalents		747,592	(263,551)	(116,347)	1,160,964	(361,979)	(147,591)
Analysis of changes in cash and cash equivalents:							
Cash and cash equivalent at the beginning of the year		1,134,519	1,208,520	1,208,520	776,574	882,683	882,683
(decrease)/increase in cash and cash equivalents		747,592	(263,551)	(116,347)	1,160,964	(361,979)	(147,591)
Effect of exchange rate movement on cash balances		26,826	28,894	42,346	26,056	28,696	41,482
Cash and cash equivalents at the end of the period	45	1,908,937	973,863	1,134,519	1,963,594	549,400	776,574

Notes to the Interim Consolidated and Separate Financial Statements

1 The Bank

Zenith Bank Plc (the "Bank") was incorporated in Nigeria under the Companies and Allied Matters Act as a private limited liability company on May 30, 1990. It was granted a banking licence in June 1990, to carry on the business of commercial banking and commenced business on June 16, 1990. The Bank was converted into a Public Limited Liability Company on May 20, 2004. The Bank's shares were listed on October 21, 2004 on the Nigerian Stock Exchange, and in August 2015, the Bank was admitted into the Premium Board of the Nigerian Stock Exchange.

The principal activity of the Bank is the provision of banking and other financial services to corporate and individual customers. Such services include granting of loans and advances, corporate finance and money market activities.

The Bank has six subsidiary companies namely, Zenith Bank (Ghana) Limited, Zenith Pensions Custodian Limited, Zenith Bank (UK) Limited, Zenith Bank (Sierra Leone) Limited, Zenith Bank (Gambia) Limited and Zenith Nominees Limited. The results of the bank's subsidiaries have been consolidated in these 9 months period financial statements.

2. Condensed statement of accounting policies

Interim Financial Statements

The Condensed Financial Statements of Zenith Bank Plc and its subsidiaries (together "The Group") for the period ended 30 September 2022 are presented and have been prepared based on the provisions of IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board.

As a result, the Group applied the same accounting methods used for the Other National Disclosures for the year ended 31 December 2021 prepared in accordance with the International Financial Reporting Standards (refer to Note "Basis of preparation" presented in the Statement of Accounting Policies (Notes 1 and 2 of 31 December 2021 Financial Statements)).

Provisions for income taxes have been calculated on the basis of the estimated annual effective tax rate applied to the pre-tax profit. However, where a lower tax rate is applicable, the current rate is adjusted. The assessment of the annual effective tax rate takes into consideration any anticipated deferred tax assets not previously recognized.

There were no changes to the accounting policies adopted by the group during the period in the preparation of its quarterly report.

3. Seasonality of operations

The impact of seasonality or cyclicity on operations is not regarded as significant to the condensed interim consolidated financial statements. The operations of the Bank and its subsidiaries are expected to be even within the period. However, global and national events and occurrences may affect the Group's operations depending on the extent of relationship these events and occurrences have with the operations.

4. Unusual items

There were no unusual transactions or occurrences withing the period.

5. Changes in estimates

Critical accounting estimates and judgements

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6. Business combinations

There was no business combination during the period.

7. Restructuring and reversals of restructuring provisions

Cummulative loans and advances to customers of N693 billion which are neither past due nor impaired have been renegotiated.

8. Correction of prior period errors

No error has been noted in relation to the prior priod results.

9. Impairment loss of property, equipment, intangible or other assets, and reversal of such impairment loss

Within the period under review, none of the group's property, plant and equipment was impaired and there were no reversals of previous impairment charges in the current period.

Notes to the Interim Consolidated and Separate Financial Statements

10. Litigation settlements

There was litigation settlement in the period 30 September 2022 amounting to N5.7million (31 December 2021: N67.91million).

11. Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Zenith Bank Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Bank's securities. The Policy is periodically reviewed by the Board and updated. The Bank has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the year under review.

12. Segment Analysis

The Group's operations are primarily organised on the basis of its geographic coverage which are: Nigeria, Rest of Africa and Europe.

	Nigeria	Outside Nigeria Banking Africa	Europe	Total reportable segments	Eliminations	Consolidated
In millions of Naira						
30 September 2022						
Revenue:						
Derived from external customers	527,908	46,495	25,017	599,420	680	600,100
Derived from other business segments	35,404	1,114	-	36,518	(16,044)	20,474
Total revenue*	563,312	47,609	25,017	635,938	(15,364)	620,574
Interest expense	(93,463)	(10,873)	(3,563)	(107,899)	51	(107,848)
Impairment charge for credit losses	(35,801)	(1,406)	111	(37,096)	-	(37,096)
Operating expenses	(246,474)	(18,974)	(7,255)	(272,703)	(378)	(273,081)
Profit before tax	187,574	16,356	14,310	218,240	(15,691)	202,549
Tax expense	(20,204)	(5,506)	(2,508)	(28,218)	-	(28,218)
Profit after tax	167,370	10,850	11,802	190,022	(15,691)	174,331

	Nigeria	Outside Nigeria Banking Africa	Europe	Total reportable segments	Eliminations	Consolidation
In millions of Naira						
30 September 2022						
Capital expenditure**	55,687	3,170	98	58,955	-	58,955
Identifiable assets	9,905,652	492,436	1,250,089	11,648,177	(306,198)	11,341,979
Identifiable liabilities	8,757,068	414,226	1,133,592	10,304,886	(271,554)	10,033,332

* Revenues are allocated based on the location of the operations.

** Capital expenditure consists of expenditure on intangible assets and property and equipment during the period.

Notes to the Interim Consolidated and Separate Financial Statements

12. Segment Analysis (continued)

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidation
		Africa	Europe			
In millions of Naira						
30 September 2021						
Revenue:						
Derived from external customers	446,321	57,919	14,433	518,673	-	518,673
Derived from other business segments	16,521	-	-	16,521	(16,521)	-
Total revenue*	462,842	57,919	14,433	535,194	(16,521)	518,673
Interest expense	(56,010)	(16,553)	(1,624)	(74,187)	89	(74,098)
Impairment charge for credit losses	(26,605)	(811)	(1,382)	(28,798)	-	(28,798)
Operating expenses	(210,083)	(16,688)	(7,751)	(234,702)	(1,265)	(235,967)
Profit before tax	170,144	23,687	3,676	197,507	17,697	179,810
Tax expense	(11,089)	(7,518)	(609)	(19,216)	-	(19,216)
Profit after tax	159,055	16,169	3,067	178,291	17,697	160,594

	Nigeria	Outside Nigeria Banking		Total reportable segments	Eliminations	Consolidation
		Africa	Europe			
In millions of Naira						
30 September 2021						
Capital expenditure**	24,081	2,243	82	26,406	-	26,406
Identifiable assets	7,373,332	651,967	979,805	9,005,104	(253,517)	8,751,587
Identifiable liabilities	6,383,135	532,555	867,734	7,783,424	(218,891)	7,564,533

* Revenues are allocated based on the location of the operations.

** Capital expenditure consists of expenditure on intangible assets and property and equipment during the period.

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
13. Interest and similar income								
Loans and advances to customers	97,839	261,253	206,861	292,224	91,328	243,480	194,145	272,942
Placement with banks and discount houses	2,674	6,535	7,392	6,766	891	1,496	4,678	1,898
Treasury bills	12,024	33,680	31,587	40,426	10,282	25,163	14,153	19,520
Promisoy notes	236	945	1,058	1,344	236	944	1,056	1,341
Commercial papers	872	1,912	85	168	872	1,912	85	168
Government and other bonds	35,382	86,430	61,861	86,669	30,882	60,396	30,427	44,519
	149,027	390,755	308,844	427,597	134,491	333,391	244,544	340,388

Interest and similar income represents interest income on financial assets measured at amortised cost.

14. Interest and similar expense

Current accounts	2,777	11,595	6,744	25,649	2,237	9,968	4,703	18,504
Savings accounts	8,261	18,112	11,884	16,653	8,195	17,900	11,660	16,348
Time deposits	14,154	31,281	24,260	29,376	10,161	21,351	8,831	14,061
Borrowed funds	25,303	44,607	31,210	31,687	25,740	42,715	30,814	30,920
Leases	369	2,253	-	3,429	153	1,527	-	2,885
	50,864	107,848	74,098	106,794	46,486	93,461	56,008	82,718

Total interest expense are calculated using the effective interest rate method reported above and does not include interest expense on financial liabilities carried at fair value through profit or loss.

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
15. Impairment charge on financial and non-financial instruments								
ECL on financial instruments:								
Loans and advances	9,543	37,532	21,987	49,539	10,886	33,003	19,794	48,357
Investment securities	474	(2,901)	297	(90)	-	178	297	(90)
Treasury Bills	287	27	716	2,302	165	194	716	(281)
Other financial assets	3,957	(17)	4,368	(234)	3,969	(29)	4,368	(226)
Due from other banks	20	36	78	-	87	36	78	-
Asset pledged as collateral	41	178	340	(158)	41	178	340	(158)
Total ECL on financial instruments	14,322	34,855	27,786	51,359	15,148	33,560	25,593	47,602
Impairment (credit)/charge on non-financial instruments:								
Off balance sheet	1,043	2,241	881	784	1,043	2,241	881	784
Other non-financial assets	(3,390)	-	131	7,789	(3,390)	-	131	7,789
	11,975	37,096	28,798	59,932	12,801	35,801	26,605	56,175
16. Net income on fee and commission								
Credit related fees	5,273	8,017	9,652	9,731	3,341	4,119	6,572	5,293
Account maintenance fee	8,377	28,147	24,189	31,390	8,248	27,731	22,048	30,867
Income from financial guarantee contracts issued	2,623	7,122	5,259	8,681	2,050	5,268	5,070	6,629
Fees on electronic products	11,433	36,069	23,993	37,470	10,245	33,469	23,652	35,444
Foreign currency transaction fees and commission	2,020	4,436	1,832	3,298	686	2,267	1,753	2,590
Asset based management fees	2,426	6,663	6,734	8,485	-	-	-	-
Auction fees income	168	330	463	517	168	330	463	517
Corporate finance fees	38	293	164	186	32	175	102	118
Foreign withdrawal charges	3,042	8,897	6,388	9,129	3,042	8,897	6,388	9,129
Commission on letters of credit	1,588	7,245	5,835	8,603	1,530	7,002	5,787	8,322
Commission on agency and collection services	2,416	10,685	10,847	15,394	1,985	9,266	9,579	13,251
Total fee and commission income	39,404	117,904	95,356	132,884	31,327	98,524	81,414	112,160
Fees and Commission Expense	(3,795)	(17,847)	(17,060)	(28,926)	(3,468)	(17,114)	(16,321)	(27,975)
Net income on fees and commission	35,609	100,057	78,296	103,958	27,859	81,410	65,093	84,185

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
17. Other operating income								
Dividend Income from equity instruments	495	2,526	2,395	2,754	495	18,572	18,827	19,186
Gain on disposal of property and equipment	2,268	2,517	77	331	2,160	2,408	72	69
Income on cash handling	228	661	403	999	151	445	261	383
Loan recovery	753	3,629	5,514	7,975	753	3,626	5,155	7,616
Foreign currency revaluation gain	17,386	11,141	15,422	25,535	16,956	10,353	14,490	26,012
	21,130	20,474	23,811	37,594	20,515	35,404	38,805	53,266

Dividend income from equity investments represents dividend received on equity instruments held for strategic purposes and for which the Group has elected to present the fair value and loss in other comprehensive income.

18. Trading gains

Gain/(loss) on other trading books	8,437	11,572	10,915	42,438	8,444	9,409	11,104	46,368
Gain on treasury bills FVTPL	(2,398)	78,337	78,533	127,613	(2,409)	78,313	78,306	127,556
(Loss)/gain on bonds FVTPL	215	1,147	664	(3,232)	69	(830)	-	(3,119)
Interest income on trading bonds	(5)	385	550	664	(5)	385	550	664
	6,249	91,441	90,662	167,483	6,099	87,277	89,960	171,469

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
19. Operating expenses								
Directors' emoluments	388	1,060	967	1,663	112	510	418	1,362
Auditors' remuneration	241	755	742	1,060	150	450	375	500
Deposit insurance premium	4,890	14,671	12,109	17,273	4,890	14,671	12,109	17,273
Professional fees	376	3,869	3,652	5,347	1,294	3,711	2,979	4,458
Training and development	567	1,672	1,369	1,589	517	1,545	1,224	1,419
Information Technology	7,945	22,218	16,970	28,716	7,577	21,358	16,184	27,540
Lease expense	363	1,247	1,186	985	145	553	528	46
Advertisement	2,348	6,159	5,089	7,100	2,304	6,011	4,950	6,919
Outsourcing services	3,794	10,250	9,773	14,773	3,787	10,232	9,773	14,754
Bank charges	4,539	9,988	5,248	7,725	4,361	9,303	4,507	6,729
Fuel and maintenance	9,803	22,927	13,568	20,676	7,695	19,372	10,730	16,804
Insurance	597	1,690	1,773	2,347	534	1,481	1,497	1,990
Licenses, registrations and subscriptions	1,044	3,220	3,017	4,142	854	2,655	2,460	3,379
Travel and hotel expenses	1,514	3,115	1,915	2,628	903	1,946	1,009	1,417
Printing and stationery	1,168	2,924	1,976	2,742	966	2,223	1,433	1,960
Security and cash handling	1,412	3,845	3,531	4,766	1,118	3,111	3,161	4,265
Fines & Penalties	-	-	-	4	-	-	-	4
Donations	474	1,038	3,256	4,450	463	1,002	3,191	4,372
AMCON levy	-	44,010	37,920	37,920	-	44,010	37,920	37,920
Telephone, postages and communications	2,126	7,796	5,416	7,189	1,980	7,370	4,990	6,625
Corporate promotions	2,251	4,976	2,968	4,697	2,224	4,864	2,869	4,551
Others	2,048	4,236	4,509	2,772	1,617	2,734	3,713	1,570
	47,888	171,666	136,954	180,564	43,491	159,112	126,020	165,857

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group				Bank			
	3 Months	9 Months	9 Months	12 Months	3 Months	9 Months	9 Months	12 Months
	30 September 2022	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2022	30 September 2021	31 December 2021

20. Taxation

(a) Major components of the tax expense

	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021
Income tax expense								
Corporate tax	2,730	23,866	14,537	12,223	2,954	18,861	4,980	1,905
Information technology tax	622	1,811	1,635	2,626	622	1,811	1,635	2,546
Tertiary Education tax	2,963	5,926	2,097	2,716	2,963	5,926	2,097	2,598
Police trust fund levy	3	9	8	13	3	9	8	13
NASENI Levy	156	453	-	643	156	453	-	643
National Fiscal Stabilization Levy & Financial Sector Recovery	2,276	4,552	-	2,043	-	-	-	-
Current income tax charge	8,750	36,617	18,277	20,264	6,698	27,060	8,720	7,705
Reversal of prior period over- provision	-	(9,528)	-	-	-	(9,528)	-	-
Current income tax	8,750	27,089	18,277	20,264	6,698	17,532	8,720	7,705
Deferred tax expense								
Origination of temporary differences	876	1,129	939	15,552	702	874	609	16,329
Income tax expense	9,626	28,218	19,216	35,816	7,400	18,406	9,329	24,034
Total tax expense	9,626	28,218	19,216	35,816	7,400	18,406	9,329	24,034

	Group			Bank			
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021	
	(b) The movement in the current income tax payable balance is as follows:						
At start of the period		16,909	11,690	11,690	14,241	9,117	9,117
Tax paid		(15,779)	(11,903)	(15,045)	(7,073)	(2,100)	(2,581)
Current income tax charge		36,617	18,277	20,264	27,060	8,720	7,705
At end of period		28,219	18,064	16,909	24,700	15,736	14,241

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group				Bank			
	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021	3 Months 30 September 2022	9 Months 30 September 2022	9 Months 30 September 2021	12 Months 31 December 2021

21. Earnings per share (EPS)

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period. Where a stock split or bonus share issue has occurred, the number of shares in issue in the prior period is adjusted to achieve comparability

Profit attributable to shareholders of the Bank (N'million)	62,822	174,229	160,463	244,402	54,781	162,649	154,156	233,133
Number of issued shares end of the period (millions)	31,396	31,396	31,396	31,396	31,396	31,396	31,396	31,396
Weighted average number of ordinary shares in issue (millions)	31,396	31,396	31,396	31,396	31,396	31,396	31,396	31,396
Basic and diluted earnings per share (Naira)	2.00	5.55	5.11	7.78	1.74	5.18	4.91	7.43

Basic and diluted earnings per share are the same, as the Bank has no potentially dilutive ordinary shares.

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
22. Cash and balances with central banks						
Cash	60,428	105,151	84,077	46,119	86,059	55,899
Operating accounts and deposits with central banks	116,766	58,690	73,389	108,142	38,778	66,566
Mandatory reserve deposits with central bank (cash reserve)	1,613,843	1,337,318	1,250,208	1,570,436	1,275,625	1,194,512
Special cash reserve requirement	80,689	80,689	80,689	80,689	80,689	80,689
	1,871,726	1,581,848	1,488,363	1,805,386	1,481,151	1,397,666

Mandatory reserve deposits with central banks represents a percentage of customer deposits (prescribed from time to time by the central bank) which are not available for daily use. For the purposes of the Statement of cashflow, this balance is excluded from cash and cash equivalents.

23. Treasury bills

Treasury bills (FVTPL)	1,007,634	786,492	824,222	1,007,633	785,837	823,891
Treasury bills (Amortized cost)	946,164	1,003,973	941,538	891,704	780,736	754,151
ECL Allowance on treasury bills (Amortized cost)	(842)	(2,298)	(815)	(589)	(1,391)	(395)
	1,952,956	1,788,167	1,764,945	1,898,748	1,565,182	1,577,647
Treasury bills less than 3 months maturity	1,179,856	359,018	315,795	1,147,684	135,781	230,213
	1,179,856	359,018	315,795	1,147,684	135,781	230,213

24. Assets pledged as collateral

Bonds pledged as collateral	93,398	173,261	139,458	93,387	135,041	103,864
Treasury bills under repurchase agreement	294,647	188,500	253,334	294,647	188,500	253,334
Bonds under repurchase agreement	-	-	-	-	-	-
ECL Allowance on assets pledged and under repurchase agreements	(376)	(695)	(198)	(376)	(695)	(198)
	387,669	361,066	392,594	387,658	322,846	357,000

The total financial assets recognised in the statement of financial position that has been pledged as collateral for liabilities as at 30 September 2022 and Segment Analysis as shown above. Financial assets are pledged as collateral as part of sales and repurchases, borrowing transaction and collection agency transactions under terms that are usual for such activities.

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
25. Due From Other Banks						
Current balances with banks outside Nigeria	515,042	271,908	377,238	624,816	315,149	501,450
Placement with banks	521,650	304,949	314,730	313,465	75,208	16,661
ECL allowance	(94)	(136)	(724)	(94)	(136)	(58)
	1,036,495	576,721	691,244	938,187	390,221	518,053
26. Derivative assets						
Instrument types (fair value)						
Forward and Swap Contracts	46,994	48,350	52,874	48,719	46,978	53,473
Futures contracts	452	6,327	3,313	452	5,691	4,003
	47,446	54,677	56,187	49,171	52,669	57,476
Non-hedging derivative assets and liabilities.						
The Group enters into currency forward contracts with counterparties. On initial recognition, the Group estimates the fair value of derivatives transacted with the counterparties using the discounted mark-to-market technique. In many cases, all significant inputs into the valuation techniques are wholly observable e.g with reference to similar transactions in the wholesale dealer market.						
27. Loans and advances						
Overdraft	589,270	375,852	439,459	565,431	362,326	419,219
Term Loans	2,708,369	2,197,821	2,522,278	2,493,320	1,985,642	2,278,613
On Lending Facilities	761,077	607,583	540,141	761,077	607,583	540,141
Gross loans and advances to customers	4,058,716	3,181,256	3,501,878	3,819,828	2,955,551	3,237,973
Less: ECL Allowance	(178,695)	(160,842)	(146,150)	(168,194)	(151,898)	(138,521)
	3,880,021	3,020,414	3,355,728	3,651,634	2,803,653	3,099,452

Notes to the Interim Consolidated and Separate Financial Statements

Group In millions of Naira	30 September 2022				31 December 2021			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Loans and advances to customers at amortised cost								
Balance at 1 January	25,672	26,032	94,445	146,149	23,400	8,703	108,211	140,314
Transfer to 12-month ECL	1,907	(585)	(1,322)	-	2,911	(1,309)	(1,602)	-
Transfer to lifetime ECL not credit-impaired	(762)	791	(29)	-	(475)	28,546	(28,071)	-
Transfer to lifetime ECL credit-impaired	(1,093)	(428)	1,521	-	(301)	(27,762)	28,063	-
Net remeasurement of loss allowances	6,561	6,653	24,318	37,532	137	17,584	30,882	48,873
New financial assets originated or purchased	-	-	-	-	-	-	-	-
Foreign exchange and other movements	(1,210)	1,210	(1,657)	(1,657)	-	-	(530)	(530)
Write-offs and recoveries	-	-	(3,330)	(3,330)	-	-	(42,508)	(42,508)
Closing balance	31,075	33,673	113,946	178,694	25,672	25,762	94,445	146,150
Gross amount	2,984,525	894,714	179,477	4,058,716	2,600,350	754,707	146,821	3,501,878
Bank In millions of naira	30 September 2022				31 December 2021			
	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total	12-month ECL	Lifetime ECL not credit- impaired	Lifetime ECL credit- impaired	Total
Loans and advances to customers at amortised cost								
Balance at 1 January	17,578	26,628	94,315	138,521	16,931	8,702	107,233	132,866
Transfer to 12-month ECL	1,610	(328)	(1,282)	-	810	(509)	(301)	-
Transfer to lifetime ECL not credit-impaired	(755)	791	(36)	-	(464)	28,226	(27,762)	-
Transfer to lifetime ECL credit-impaired	(899)	(418)	1,317	-	(301)	(27,762)	28,063	-
Net remeasurement of loss allowances	4,066	6,371	22,566	33,003	602	17,971	29,784	48,357
New financial assets originated or purchased	-	-	-	-	-	-	-	-
Write-offs and recoveries	-	-	(3,330)	(3,330)	-	-	(42,702)	(42,702)
Foreign exchange and other movements	-	-	-	-	-	-	-	-
Closing balance	21,600	33,044	113,550	168,194	17,578	26,628	94,315	138,521
Gross amount	2,766,083	887,887	165,857	3,819,827	2,343,420	752,640	141,913	3,237,973

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
28. Investment Securities						
Debt securities						
At amortised cost	1,514,890	864,302	657,951	489,993	232,227	380,199
At FVTOCI	-	-	541,629	-	-	-
ECL allowance	(865)	(1,069)	(3,766)	(844)	(1,052)	(666)
Net debt securities measured at amortised cost and FVTOCI	1,514,025	863,233	1,195,814	489,149	231,175	379,533
Debt securities (measured at fair value through profit or loss)	12,902	18,405	22,338	9,431	12,544	11,897
Net debt securities	1,526,927	881,638	1,218,152	498,580	243,719	391,430
Equity securities						
At fair value through other comprehensive income	94,048	80,428	85,574	94,048	80,428	85,574
	1,620,975	962,066	1,303,726	592,628	324,147	477,004

29. Investment in subsidiaries

The following table lists the entities which are controlled by the Group, either directly or indirectly through subsidiaries.

Group

Name of company	30 September 2022 Ownership interest %	31 December 2021 Ownership interest %	30 September 2022	31 December 2021
Zenith Bank (Ghana) Limited (see (1) below)	99.42%	99.42%	7,066	7,066
Zenith Bank (UK) Limited	100.00%	100.00%	21,482	21,482
Zenith Bank (Sierra Leone) Limited	99.99%	99.99%	2,059	2,059
Zenith Bank (Gambia) Limited	99.96%	99.96%	1,038	1,038
Zenith Pensions Custodian Limited	99.00%	99.00%	1,980	1,980
Zenith Nominees	99.00%	99.00%	1,000	1,000
			34,625	34,625

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
30. Deferred tax balances						
Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2021: 30%).						
Deferred tax assets						
Movement in deferred tax asset						
At the start of the year/period	1,837	5,786	29,462	-	4,733	26,339
Deferred tax asset movement	(262)	(939)	(27,625)	-	(609)	(26,339)
At the close of the period/year	1,575	4,847	1,837	-	4,124	-
Deferred tax liabilities						
At the start of the year/period	11,603	-	39,228	11,596	-	37,935
Charge for the year/period	867	-	(27,625)	874	-	(26,339)
At the close of the year/period	12,470	-	11,603	12,470	-	11,596
31. Other assets						
Non-financial assets						
Prepayments	29,323	20,181	9,626	27,466	17,915	7,717
Other non-financial assets	12,807	4,751	9,763	12,805	4,753	9,815
Gross other non-financial assets	42,130	24,932	19,389	40,271	22,668	17,532
Net other non-financial assets	42,130	24,932	19,389	40,271	22,668	17,532
Other financial assets						
E-card and settlement receivables	191,084	121,521	101,520	182,000	112,477	88,601
Intercompany receivables	(4,543)	-	-	585	469	458
Deposits for investment in AGSMEIS	53,747	40,888	40,888	53,747	40,888	40,888
Other receivables	22,446	12,295	16,338	21,030	11,857	13,962
Deposits for shares	-	-	-	-	720	720
Gross other financial assets	262,734	174,704	158,746	257,362	166,411	144,629
Less: ECL allowance	(9,908)	(6,879)	(9,925)	(9,806)	(6,770)	(9,835)
Net other financial assets	252,826	167,825	148,821	247,556	159,641	134,794
Total other assets (Net)	294,956	192,757	168,210	287,827	182,309	152,326

Notes to the Interim Consolidated and Separate Financial Statements

32. Property, plant and equipment (continued)

Bank

30 September 2022

	Land	Buildings	Leasehold improvements	Furniture, fittings and equipment	Computer equipment	Right of use asset - Aircraft	Motor vehicles	Right-of-use assets - Buildings	Work in progress	Total
Cost										
At 1 January 2022	36,431	57,158	21,631	100,500	38,795	12,600	24,672	16,761	34,677	343,225
Additions	1,318	1,548	804	6,470	6,072	25,704	3,564	1,721	7,465	54,666
Reclassifications from WIP	(6)	(718)	1,377	281	300	-	325	-	(1,559)	-
Disposals	-	(2)	(18)	(429)	(18)	(12,600)	(436)	-	-	(13,503)
At 30 September 2022	37,743	57,985	23,793	106,822	45,149	25,704	28,125	18,482	40,583	384,388
	Land	Buildings	Leasehold improvements	Furniture, fittings and equipment	Computer equipment	Right of use asset - Aircraft	Motor vehicles	Right-of-use assets - Buildings	Work in progress	Total
Accumulated Depreciation										
At 1 January 2022	-	9,429	18,479	76,179	33,213	5,250	19,185	3,989	-	165,724
Disposals	-	(1)	(18)	(407)	(18)	(5,985)	(424)	-	-	(6,853)
Reclassifications/transfer from WIP	-	(70)	49	34	(13)	-	-	-	-	-
Charge for the year	-	845	1,442	8,351	3,533	878	2,276	767	-	18,092
At 30 September 2022	-	10,203	19,951	84,157	36,715	143	21,036	4,756	-	176,963
Net book amount										
At 30 September 2022	37,743	47,782	3,841	22,665	8,434	25,562	7,089	13,726	40,583	207,425
At 31 December 2021	36,431	47,729	3,152	24,321	5,582	7,350	5,487	12,772	34,677	177,501

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
33. Intangible assets						
Computer Software						
Cost						
At start of the period/year	48,353	35,609	35,609	41,654	29,747	29,747
Exchange difference	(200)	253	246	-	-	-
Reclassification from PPE	-	304	68	-	-	-
Additions	3,259	-	14,884	2,959	84	14,361
Write off	(2,780)	(2,454)	(2,454)	-	(2,454)	(2,454)
At the end of the period/year	48,632	33,712	48,353	44,613	27,377	41,654
Accumulated amortization						
At start of the period/year	23,352	19,366	19,366	18,112	15,048	15,048
Exchange difference	(137)	165	207	-	-	-
Disposal	(2,780)	-	-	-	-	-
Charge for the period/year	2,218	2,753	3,779	1,907	2,266	3,064
At the end of the period/year	22,653	22,284	23,352	20,019	17,314	18,112
Carrying amount at the end of the period/year	25,979	11,428	25,001	24,594	10,063	23,542

All intangible assets are non-current. All intangible assets of the Group have finite useful life and are amortised over 5 years.

The Group does not have internally generated intangible assets.

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
34. Customers' deposits						
Demand	4,131,838	3,270,359	3,530,521	3,136,356	2,456,527	2,561,736
Savings	2,814,846	2,308,721	2,489,340	2,655,108	2,135,857	2,301,379
Term	1,095,417	461,807	452,193	963,719	313,788	306,084
	8,042,101	6,040,887	6,472,054	6,755,183	4,906,172	5,169,199
35. Other liabilities						
Other financial liabilities						
Customer deposits for letters of credit	127,919	90,421	86,872	127,919	90,421	86,872
Managers' Cheques	20,174	20,160	18,279	19,627	19,500	17,707
Collections accounts	146,298	35,653	154,728	146,206	35,653	154,694
Unclaimed dividend	28,647	28,647	28,647	28,647	28,647	28,647
Lease liability	12,602	25,300	24,102	7,814	17,648	16,708
AMCON payable	-	43,645	3,817	-	43,645	3,817
Electronic card and settlement payables	93,420	80,461	60,829	92,458	78,860	58,000
Customers' foreign transactions payables	20,051	19,394	8,653	20,043	19,394	8,653
Account payables	79,669	103,194	69,892	79,385	63,998	34,005
Total other financial liabilities	528,780	446,875	455,819	522,099	397,766	409,103
Non-financial liabilities						
Tax collections	5,108	2,706	5,339	4,606	2,365	5,003
Deferred income on financial guarantee contracts	987	2,048	1,206	935	2,007	1,186
Other payables	25,345	34,505	19,452	18,671	22,036	6,968
Off Balance Sheet exposures impairment allowance	7,857	5,713	5,616	7,857	5,713	5,616
Total other non-financial liabilities	39,297	44,972	31,613	32,069	32,121	18,773
Total other liabilities	568,077	491,847	487,432	554,168	429,887	427,876

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
36. On-lending facilities						
(a) This comprises:						
Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme Loan	38,076	54,801	43,631	38,076	54,801	43,631
Bank of Industry (BOI) Intervention Loan	30,345	33,342	32,266	30,345	33,342	32,266
Central Bank of Nigeria (CBN) / Bank of Industry(BOI) - Power & Aviation intervention Funds	2,621	4,925	3,893	2,621	4,925	3,893
CBN MSMEDF Deposit	1,244	1,087	1,233	1,244	1,087	1,233
FGN SSB Intervention Fund	127,216	134,350	136,605	127,216	134,350	136,605
Excess Crude Loan Facility Deposit	74,203	81,659	83,030	74,203	81,659	83,030
Real Sector Support Facility	33,793	40,675	40,398	33,793	40,675	40,398
Non-Oil Export Stimulation Facility	12,838	22,769	19,593	12,838	22,769	19,593
Paddy Aggregation Scheme (Phase 2) Fund	-	-	-	-	-	-
Creative Industry Financing Initiative	-	249	229	-	249	229
Maize Aggregation Scheme	-	-	-	-	-	-
Accelerated Agricultural Development Scheme	-	11,733	8,363	-	11,733	8,363
	320,336	385,590	369,241	320,336	385,590	369,241
37. Borrowings						
Long term borrowings comprise:						
Due to ADB	-	-	-	-	-	-
Due to KEXIM	10,232	4,193	2,748	10,132	4,193	2,748
Due to AFREXIM	67,641	72,750	65,936	67,641	72,750	65,936
Due to ABSA bank	30,201	62,021	84,922	30,201	62,021	84,922
Due to ICBC (Standard Bank London)	69,960	20,912	-	69,960	20,912	-
Due to Mashreq	5,100	40,834	63,739	5,100	40,834	63,739
Due to IFC (viii)	-	49,131	49,863	-	47,761	49,863
Due to First Abu Dhabi Bank	-	41,338	42,447	-	41,338	42,447
Due to Zenith Bank Ghana	-	-	-	-	2,100	-
Due to J P Morgan Chase bank	45,353	-	31,808	45,353	-	31,808
Due to Standard Chartered Bank	108,737	-	10,869	108,737	-	-
Due to banks for clean letters of credit	716,916	265,795	398,137	741,007	292,439	427,932
Due to Standard Chartered Bank (Ghana)	-	4,127	-	-	-	-
Due to Citi Bank	-	6,904	-	-	-	-
	1,054,140	568,005	750,469	1,078,131	584,348	769,395

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021
38. Debt Securities issued						
Due to Euro bond holders	-	45,386	45,799	-	45,386	45,799
39. Derivative liabilities						
Instrument types (Fair value):						
Forward and swap contracts	7,571	8,582	10,167	9,107	8,019	11,350
Futures contracts	418	6,172	4,507	418	5,431	3,820
	7,989	14,754	14,674	9,525	13,450	15,170
40. Share capital						
Authorised						
40,000,000,000 Ordinary shares of 50k each (31 December 2021: 40,000,000,000)	20,000	20,000	20,000	20,000	20,000	20,000
Issued and fully paid						
31,396,493,787 ordinary shares of 50k each (December 2020: 31,396,493,787)	15,698	15,698	15,698	15,698	15,698	15,698
Issued						
Ordinary	15,698	15,698	15,698	15,698	15,698	15,698
41. Share premium, retained earnings and other reserves						
(a) There was no movement in the Share premium account during the current and prior period.						
Share premium	255,047	255,047	255,047	255,047	255,047	255,047

The nature and purpose of the reserves in equity are as follows:

(b) Share premium: Premiums from the issue of shares are reported in share premium

(c) Retained earnings: Retained earnings represent undistributed profits, net of statutory appropriations attributable to the ordinary shareholders.

(d) Statutory reserve: This represents the cumulative amount set aside from general reserves/retained earnings by the Bank and its subsidiaries. This amount is non-distributable. The Bank's appropriation is in line with BOFIA 2020 which stipulates that an appropriation of 30% of profit after tax be made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital. In the current period, a total of N24.40 billion (31 December 2021: N34.97 billion) representing 15% of Zenith Bank's profit after tax was appropriated.

Other Non-Nigerian subsidiaries also make appropriation which is based on their profit and in line with the requirement of their Central Bank.

(e) SMIEIS reserve: This reserve represents the aggregate amount of appropriations from profit after tax to finance equity investments in compliance with the directives issued by the Central Bank of Nigeria (CBN) through its circulars dated July 11, 2006 (amended).

Notes to the Interim Consolidated and Separate Financial Statements

The SMEIS reserve was maintained in compliance with the Central Bank of Nigeria's requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium scale enterprises. Under the terms of the guideline issued in July 2006, the contributions were 10% of profit after tax and were expected to continue after the first 5 years after which banks' contributions were to reduce to 5% of profit after tax.

The small and medium scale industries equity investment scheme reserves are non-distributable.

(f) Fair value reserve: Comprises fair value movements on equity and debt instruments that are carried at fair value through Other Comprehensive Income.

(g) Foreign currency translation reserve: Comprises exchange differences resulting from the translation to Naira of the results and financial position of Group companies that have a functional currency other than Naira.

(h) Credit risk reserve: This reserve represents the cumulative difference between the loan loss provision determined per the Prudential Guidelines of the Central Bank of Nigeria and the Central Bank of other subsidiaries vis-a-viz the allowance/reserve for loan losses as determined in line with the principles of IFRS 9.

As at 30 September 2022, the Bank has made a cumulative credit risk reserve of N41.62 billion, while the cumulative amount made by the group is N40.89 billion (31 December 2021: Group N21.85 billion and Bank 20.02 billion).

42. Pension contribution

In accordance with the provisions of the Pensions Reform Act 2014, the Bank and its subsidiaries commenced a contributory pension scheme in January 2005. For entities operating in Nigeria, the contribution by employees and the employing entities are 8% and 10% respectively of the employees' basic salary, housing and transport allowances. Entities operating outside Nigeria contribute in line with the relevant pension laws in their jurisdictions. The contribution by the Group and the Bank during the period were N3.11 billion and N2.20 billion respectively (31 September 2021: N3.05 billion and N2.08 billion).

43. Group subsidiaries and related party transactions

Parent

The Group is controlled by Zenith Bank Plc (incorporated in Nigeria) which is the parent company and whose shares are widely held.

Subsidiaries:

Transactions between Zenith Bank Plc and its subsidiaries, which are eliminated on consolidation are not separately disclosed in the consolidated financial statements. The Group's effective interests and investments in subsidiaries as at 30 September 2022 are shown below.

Entity	Effective Holding %	Nominal share capital held
Zenith Bank (Ghana) Limited	99.42	7,066
Zenith Bank (UK) Limited	100.00	21,482
Zenith Bank (Sierra Leone) Limited	99.99	2,059
Zenith Bank (The Gambia) Limited	99.96	1,038
Zenith Pension Custodians Limited	99.00	1,980
Zenith Nominees Limited	99.00	1,000

Notes to the Interim Consolidated and Separate Financial Statements

43. Group subsidiaries and related party transactions (continued)

Key management personnel

Key management personnel is defined as the Group's executive and non-executive directors, including their family members and any entity over which they exercise control. Close members of family are those family members who may be expected to influence, or be influenced by that individual in their dealings with the Group.

Key management compensation

	Group 30 September 2022	Group 30 September 2021	Group 31 December 2021
Short-term benefits	1,508	1,415	1,716
Post-employment benefits	58	6	47
Fees and sitting allowances	183	321	375
At the end of the period/year	1,749	1,742	2,138

Loans and advances to key management personnel

At start of the year/period	2,902	1,797	1,797
Granted during the year/period	573	9	2,167
Repayment during the year/period	(192)	(58)	(1,062)
At end of the period/year	3,283	1,748	2,902

Interest earned

Loans to key management personnel include mortgage loans and other personal loans. The loans are repayable from various repayment cycles, ranging from monthly to annually over the tenor and have an average interest rate of 4%. Loans granted to key management personnel are performing.

Group In millions of Naira 30 September 2022 Name of company	Loans	Deposits	Interest received	Interest paid
Directors	1,598	3,299	53	-
Quantum Fund Management	-	33	-	-
Zenith General Insurance Company Limited	-	672	-	-
Cyberspace Network	-	669	-	-
Zenith Trustees Ltd	-	3	-	-
Oviation Limited	-	3,811	-	-
Sirius Lumina Ltd	-	1	-	-
	1,598	8,488	53	-

Notes to the Interim Consolidated and Separate Financial Statements

Group In millions of Naira 31 December 2021 Name of company	Loans	Deposits	Interest received	Interest paid	
Directors	1,692	2,699	60	15	-
Quantum Fund Management	-	18	-	-	-
Zenith General Insurance Company Limited	-	1,316	-	-	-
Cyberspace Network	-	484	-	-	-
Zenith Trustees Ltd	-	12	-	-	-
Oviation Limited	-	2,358	-	-	-
Sirius Lumina Ltd	-	1	-	-	-
At end of the year	1,692	6,888	60	-	-

Loans granted to related parties are secured over real estate and other assets of the respective borrowers.

44. Acceptances and guarantees

a) Legal proceedings

The Group is presently involved in several litigation suits in the ordinary course of business. The total amount claimed in the cases against the Group is estimated at N9.1 billion (31 December 2021: N143.5 billion). The actions are being contested and the Directors are of the opinion that none of the aforementioned cases is likely to have a material adverse effect on the Group and are not aware of any other pending or threatened claims and litigations.

In arriving at this conclusion, the Group has relied on evidence and recommendations from its internal litigation group and its team of external solicitors.

b) Capital commitments

At the reporting date, the Group had capital commitments amounting to N419 million (31 December 2021: N1,930 billion) in respect of authorized and contracted capital projects.

Notes to the Interim Consolidated and Separate Financial Statements

In millions of Naira	Group			Bank		
	30 September 2022	30 September 2021	31 December 2021	30 September 2022	30 September 2021	31 December 2021

44. Acceptances and guarantees (continued)

c) Confirmed credits and other obligations on behalf of customers

In the normal course of business the group is a party to financial instruments with off-balance sheet risk. These instruments are issued to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

In millions of Naira

Performance bonds and guarantees	415,225	396,598	364,632	361,934	325,355	335,833
Usance (see note ii below)	205,050	76,795	195,354	205,050	75,745	195,354
Letters of credit (see note ii below)	544,745	253,838	554,486	422,206	139,865	398,605
	1,165,020	727,231	1,114,472	989,190	540,965	929,792

Assets under custody(see note below)

	6,114,600	6,096,935	5,568,000	6,114,600	6,096,935	5,568,000
--	-----------	-----------	-----------	-----------	-----------	-----------

- i. Letters of credit are agreements to lend to customers in the future, subject to certain conditions such commitments are either made for a fixed year, or have no specific maturity dates, but are cancellable by the group (as lender) subject to notice to notice requirements. These letters of credit are provided at market related interest rates and cannot be settled net in cash .
- ii. Usance and letters of credit are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity dates, but are cancellable by the Group (as lender) subject to notice requirements. These Letters of credit are provided at market-related interest rates. Usance and letters of credit are secured by different types of collateral similar to those accepted for actual credit facilities.
- iii. The amount of N6,614.6billion (31 December 2021: N5,568 billion) represents the total pension assets under custody held by the Bank's subsidiary, Zenith Pensions Custodian Limited under the latter's custodial business. Included in the amount above is N105.4billion (31 December 2021: N94.4 billion) which represents the amount of the Group's guarantee for the assets held by the subsidiary as required by the National Pensions Commission of Nigeria. Aside from the Guarantee on the pension asset held by our subsidiary, Zenith Pension Custodian Limited, the Group does not have any contingent liabilities in respect of related parties.

45. Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash and non-restricted balances with central banks, treasury bills and other eligible bills, operating account balances with other banks, amount due from other banks and short-term government securities.

Cash and balances with central banks (less mandatory reserve deposits)	177,194	163,841	157,466	154,261	124,837	122,465
Treasury bills (3 months tenor) (see note 23)	1,179,856	359,018	315,795	1,147,684	135,781	230,213
Due from other banks	551,887	451,004	661,258	661,649	288,782	423,896
	1,908,937	973,863	1,134,519	1,963,594	549,400	776,574