

# Fidelity Bank Investor Presentation

**Audited Financial Results for the 12 months ended  
December 31, 2022**

---



## Disclaimer

Please read the following before continuing:

This presentation is based on Fidelity Bank Plc ('Fidelity' or 'the Bank') audited financial statements for the period ended 31 December 2022. Aside the extracts from the published financial statements, Fidelity has obtained some information from sources it believes to be credible. Although Fidelity has taken all reasonable care to ensure that the information in this presentation is accurate and correct, Fidelity makes no representation or warranty, express or implied, as to the accuracy, correctness or completeness of the information. In addition, some of the information in this presentation may be condensed or incomplete and this presentation may not contain all material information in respect of the Bank's financial performance for the period under review.

In addition, this presentation contains projections, targets and forward-looking statements with respect to the financial performance of the Bank, business operations, capital position, strategy and the operating environment etc. These statements may include, without limitation, any statements preceded by, followed by or including words such as "may", "will", "should", "expect", "anticipate", "project", "plan", "estimate", "seek", "intend", "target" "target" or "guidance" and similar terms and phrases have been used to identify the forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Bank's control.

Fidelity Bank expressly disclaims any obligation or undertaking to disseminate any updates or revisions to the Information, including any financial data or forward-looking statements, and will not publicly release any revisions it may make to the Information that may result from any change in expectations, any change in events, conditions or circumstances on which these forward-looking statements are based, or other events or circumstances arising after the date of this document. Market data used in the Information not attributed to a specific source are estimates of the Bank and have not been and will not be independently verified.

---

# Content



<b>Section</b>	<b>Page</b>
<b>1. Overview of Fidelity Bank</b>	<b>5</b>
<b>2. Operating Environment</b>	<b>11</b>
<b>3. Financial Review</b>	<b>14</b>
<b>4. 2023FY Guidance</b>	<b>30</b>



# fitcc 2022

CONNECTING NIGERIA  
TO THE WORLD



SCAN TO  
KNOW  
MORE

[fitcc.co.uk](https://fitcc.co.uk)





> **250**  
Business Offices



> **7.5m+**  
Customer Accounts



> **3,038**  
Professional Staff



> **155**  
Call Centre Agents



> **21k**  
Banking Agents

Business Segment

Revenue



PBT



■ Retail ■ Corporate ■ Inv. Banking

Rated and In compliance with the NGX Corporate Governance Rating System (CGRS)



Agusto&Co. A/Stable  
Research, Credit Ratings, Credit Risk Management

FitchRatings B-/Stable/B

GCR A/Stable

S&P Global B-/Stable/B

Fidelity S&P stand-alone credit rating is "B".

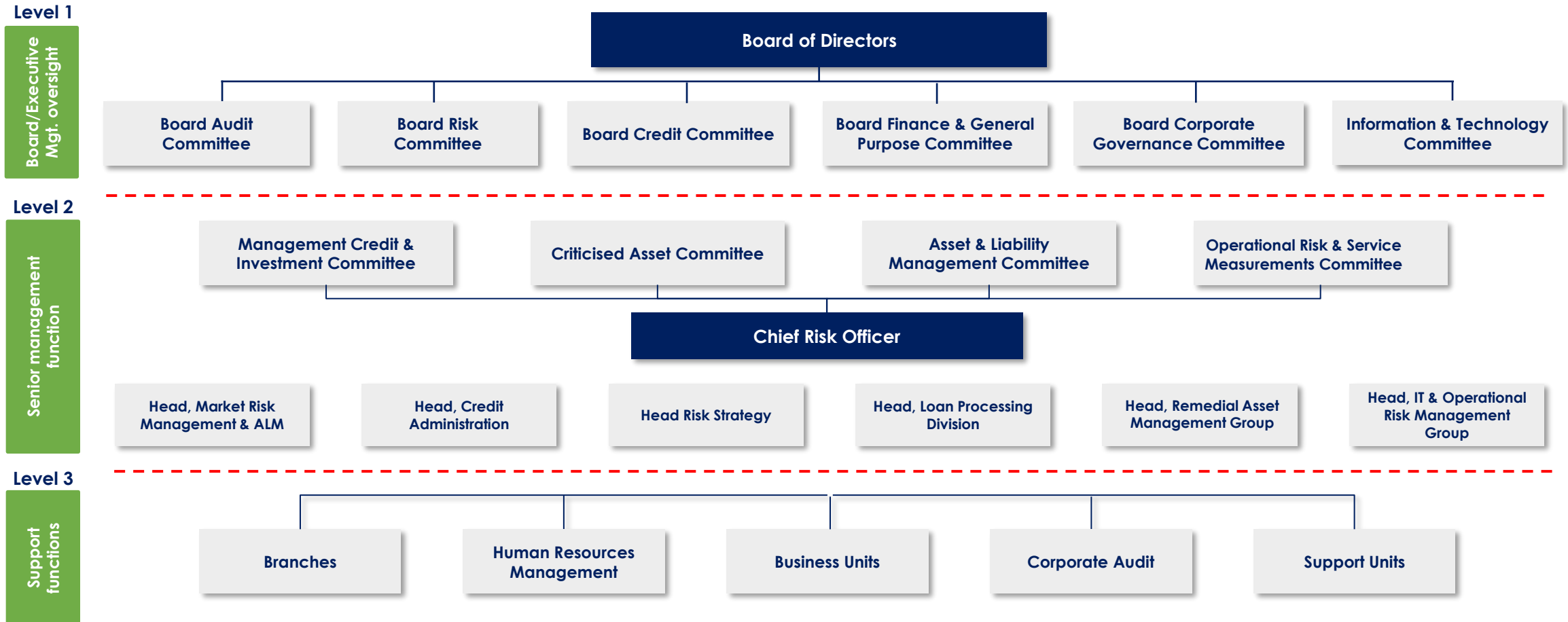
Listings:





# Robust risk management is at the core of Fidelity Bank operations

## Three-tiered approach for enterprise-wide risk management



- ❖ Fidelity Bank operates a best-in-class risk management and corporate governance framework that meets or exceeds all legal and regulatory requirements
- ❖ The framework provides comprehensive controls, continuous monitoring and management of the major risks inherent in the Bank's activities



## Impressive performance across key income and balance sheet lines

**Gross Earnings**  
▲ 34.4%  
¥337.1bn

**Customer Deposits**  
▲ 27.4%  
¥2,580.6bn

**CAR**  
▼ 97bps  
18.1%

**Operating Income**  
▲ 39.9%  
¥179.9bn

**Net Loans & Advances**  
▲ 27.6%  
¥2,116.2bn

**NPL**  
00bps  
2.9%

**Operating Expenses**  
▲ 25.4%  
¥120.8bn

**Total Assets**  
▲ 21.6%  
¥3,989.0bn

**RoAE**  
▲ 731bps  
15.6%

**PBT: ▲ 112.9% to ¥53.7bn**



# Deepening strong growth in NII and customer reach through digital banking

**Mobile/Online Customers #**

↑ 17.1% YTD

**> 4.3m+**

**Debit Cardholders #**

↑ 6.1% YTD

**> 2.8m+**

**ATM #**

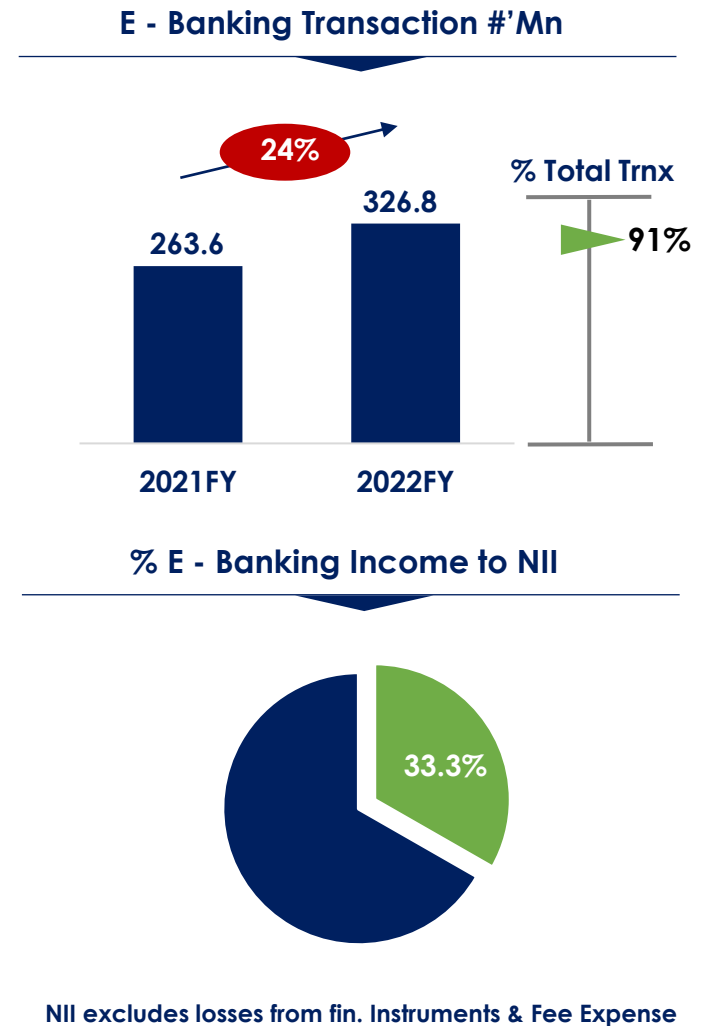
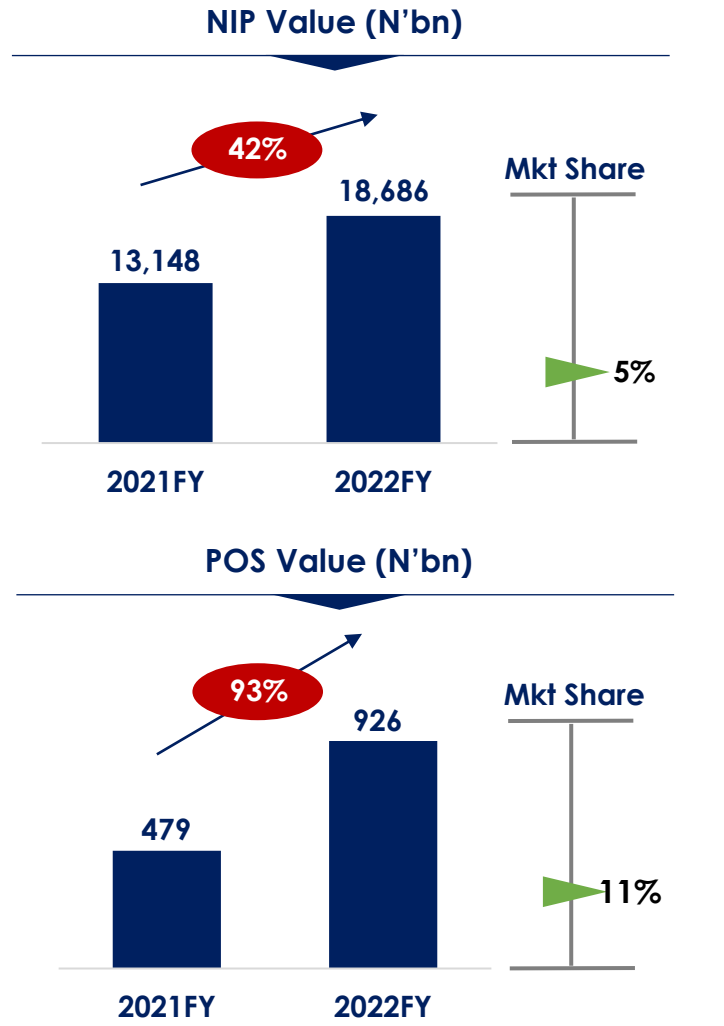
↑ 0.8% YTD

**> 842**

**POS #**

↑ 137.5% YTD

**> 95k**

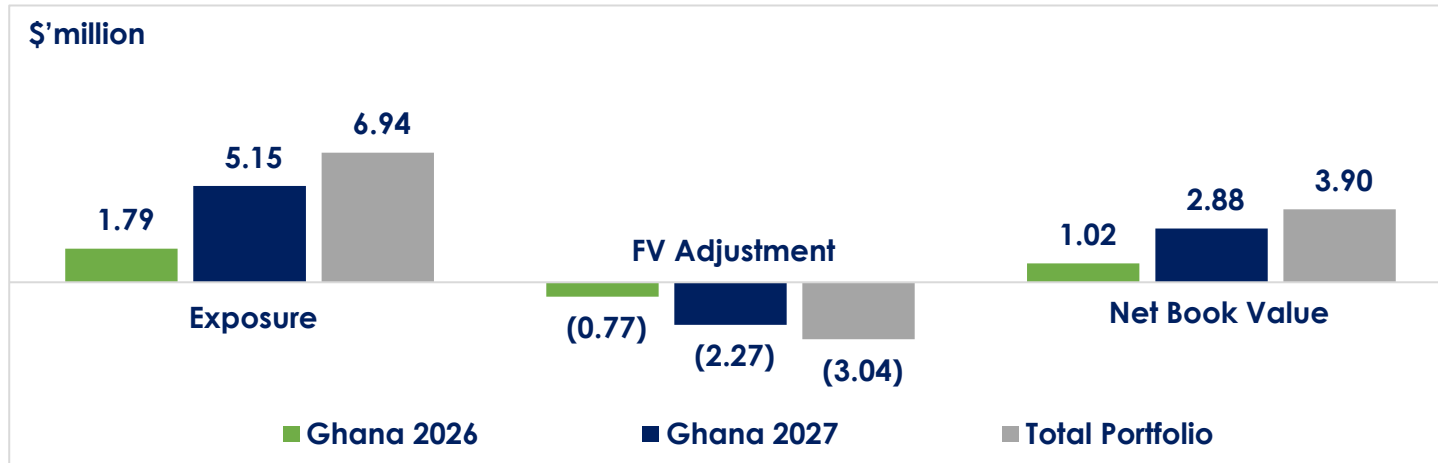






# Fidelity's exposure to Ghana risk is limited to \$6.9m

## Investment in Ghana Eurobonds



➤ Total exposure to Ghana Risk is \$6.94m, which constitutes about 0.6% of our investment portfolio (excl. equity).

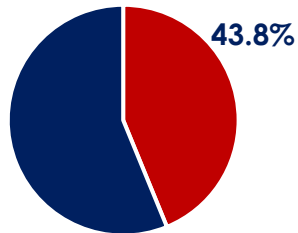
➤ Exposure is limited to issued notes (Eurobonds) across three (3) maturities:

- Ghana Jan 2026 (25.8%)
- Ghana Feb 2027 (21.3%)
- Ghana Mar 2027 (52.9%)

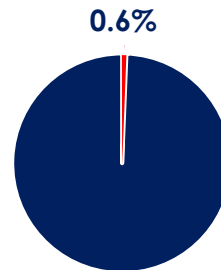
➤ The notes are held in FVOCI portfolio and marked to market with 43.8% (\$3.04m) of the settlement value already impaired.

➤ Currently, Fidelity is holding only notes issued out of Nigeria and Ghana in its African Portfolio.

% Fair Value Adjustment/Losses



% Investment Portfolio





**Private Placement of 3,037,414,308 Ordinary Shares of 50 Kobo each at ₦4.60 per share**

Payable in full on Application

Announces the result of the Private Placement of **3,037,414,308** ordinary shares of 50 kobo each at **₦4.60** per share, which opened on **Wednesday, February 22, 2023** and closed on **Thursday, February 23, 2023**.

- **Two (2)** applications were received for a total of **3,037,414,308** ordinary shares in connection with the Private Placement.
- The **two (2)** applications for a total of **3,037,414,308** ordinary shares were found to be valid, accepted and processed accordingly.
- The Private Placement was therefore **100%** subscribed.
- All applications were received within the Offer period of Wednesday, February 22, 2023 and Thursday, February 23, 2023.

The breakdown of the allotment is provided below:

Range	No of Applications	Shares Applied For	Cumulative Shares Applied For	Shares Allotted	Cumulative Shares Allotted	% Shares Allotted	Remarks
1 - 1,000,000,000	1	287,414,308	287,414,308	287,414,308	287,414,308	100.00%	Full
1,000,000,001 - Above	1	2,750,000,000	3,037,414,308	2,750,000,000	3,037,414,308	100.00%	Full
<b>Total</b>	<b>2</b>	<b>3,037,414,308</b>		<b>3,037,414,308</b>			

The Securities & Exchange Commission (“SEC” or “Commission”) has cleared the Basis of Allotment stated above as well as this announcement. CSCS accounts of successful allottees will be credited with shares allotted, not later than Friday, May 05, 2023 by the Registrars to Fidelity Bank Plc, First Registrars & Investor Services Limited, No 2, Abebe Village Road, Iganmu, Lagos, NIGERIA.

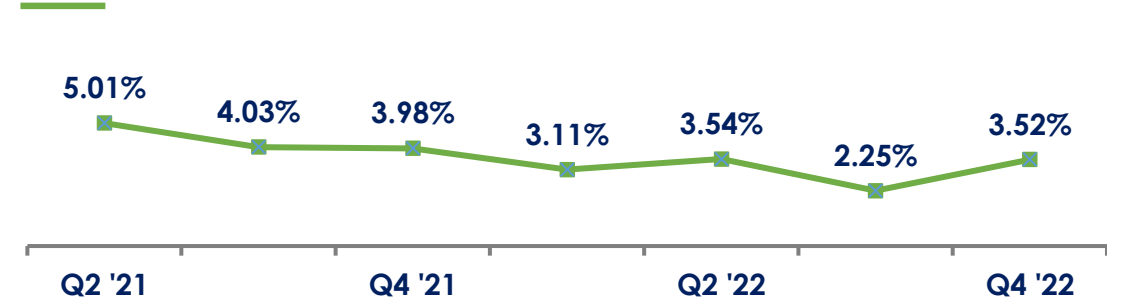
ISSUING HOUSE:



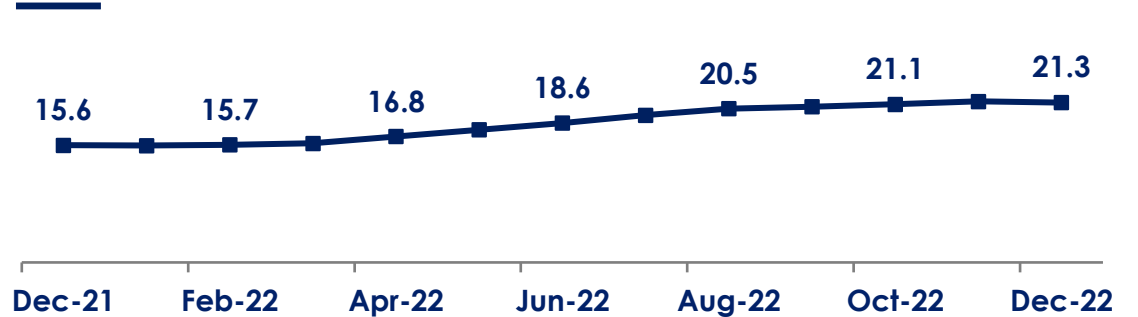


- ❖ Real GDP growth in Q4 2022 came in at 3.52% compared to 2.25% in Q3 2022, while annual real GDP growth was reported at 3.1% Vs. 3.4% in 2021.
- ❖ Agriculture, Trade, Information & Communication, Transportation and Financial & Insurance etc. were the top drivers of GDP growth in 2022.
- ❖ Headline inflation maintained a steady rise m-o-m from Feb 2022 but declined marginally in Dec 2022.
- ❖ Rise in food inflation was driven by staple food including bread, cereal, soaring prices, disruptions in food supply chain, import charges etc.
- ❖ Bonny light crude closed the year at \$82.6pb compared to \$76.3pb in Dec 2021 as daily crude oil production averages 1.24mbp.
- ❖ Currently, Brent crude is trading at \$80.33 per barrel while Bonny light is trading at \$84.71 per barrel spot price.
- ❖ External reserves stood at \$37.08bn in Dec 2022 but fell to \$36.99bn in Jan 2023 before trending down further to \$35.31 as at 20<sup>th</sup> Apr 2023.

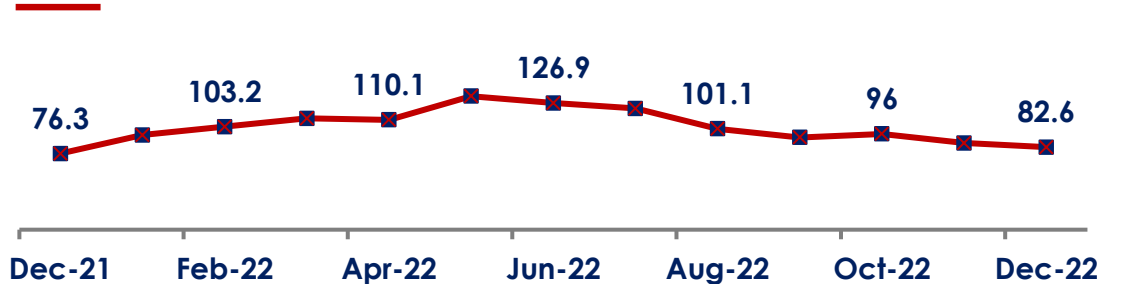
### Real GDP Growth



### Headline Inflation Rate



### Bonny Light (\$ per barrel)





## Key regulatory and policy changes in 2022

- ❖ IMF raised Nigeria's 2022 growth forecast from 2.7% to 3.4%.
- ❖ MPR raised by 150bps from 11.5% to 13.0%, the first time the rate changed since Sept 2020.
- ❖ CBN issues guidelines for Open Banking in Nigeria to enhance financial services.
- ❖ CBN increases online transfer limit to N25m and N250m for individuals and companies, respectively.

- ❖ CBN announced a domestic card scheme which can be used to replace ATM cards.
- ❖ MPR reviewed to 16.5 percent from 15.5 percent and the asymmetric corridor kept unchanged at +100/-700bps.
- ❖ The apex bank issues new guideline for licensing Deposit money Banks (DMB) and other FIs
- ❖ CBN announces the redesign and circulation of new Naira notes in 3 denomination (N200, N500 and N1000).



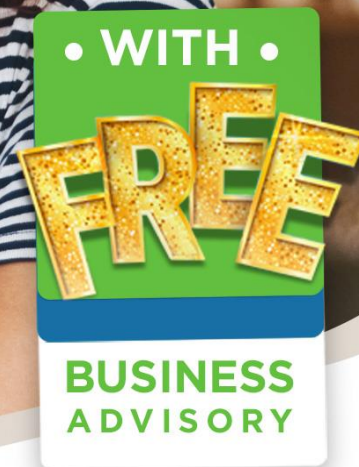
- ❖ MPR retained at 11.5 percent and the asymmetric corridor kept unchanged at +100/-700bps.
- ❖ President approves the implementation of the 2022 Fiscal Policy Measures and Tariff Amendments.
- ❖ CBN extends the 5 percent p/a interest rate on all CBN intervention facilities for a year with effect from Feb 28.
- ❖ CBN extends Nair-for-Dollar scheme to the IEFX window.

- ❖ MPR retained at 14.0% and the asymmetric corridor kept unchanged at +100/-700bps.
- ❖ Court of Appeal (CoA) affirmed the authority of the FIRS to collect VAT from all taxpayers.
- ❖ CBN reverts interest rate on all intervention facilities from 5.0% to 9% per annum.
- ❖ FG announces 5% excise duties on Telco Services in Nigeria, as part of its 2022 Fiscal Policy Measures.



# Let's Help You Grow Your Business

with the **Fidelity Small  
Business Account.**



**ZERO  
COLLATERAL**



## Financial Performance Highlights - SCI

Summary of Income Statement				
₺'million	2021FY	2022FY		% VAR
<b>Gross Earnings</b>	<b>250,776</b>	<b>337,050</b>	▲	<b>34.4%</b>
Interest Income Loans	164,495	235,808	▲	43.4%
Interest Income Liquid Assets	39,071	59,770	▲	53.0%
<b>Total Interest Income</b>	<b>203,566</b>	<b>295,578</b>	▲	<b>45.2%</b>
Interest Expense Deposits	-74,976	-97,580	▲	30.1%
Interest Expense Borrowings	-33,711	-45,303	▲	34.4%
<b>Total Interest Expense</b>	<b>-108,687</b>	<b>-142,883</b>	▲	<b>31.5%</b>
<b>Net Interest Income</b>	<b>94,879</b>	<b>152,695</b>	▲	<b>60.9%</b>
FX Income	14,517	5,892	▼	-59.4%
Digital Income	10,660	13,800	▲	29.5%
Other Fee Income	8,505	7,517	▼	-11.6%
<b>Net Fee Income</b>	<b>33,682</b>	<b>27,209</b>	▼	<b>-19.2%</b>
<b>Operating Income</b>	<b>128,561</b>	<b>179,904</b>	▲	<b>39.9%</b>
<b>Operating Expenses</b>	<b>-96,312</b>	<b>-120,784</b>	▲	<b>25.4%</b>
Net Impairment Losses	-7,034	-5,443	▼	-22.6%
<b>Profit Before Tax</b>	<b>25,215</b>	<b>53,677</b>	▲	<b>112.9%</b>

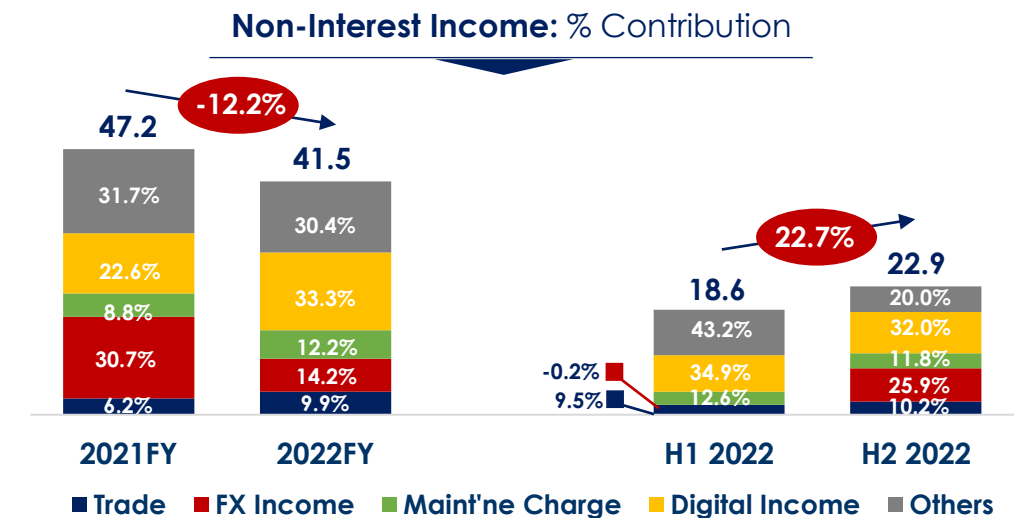
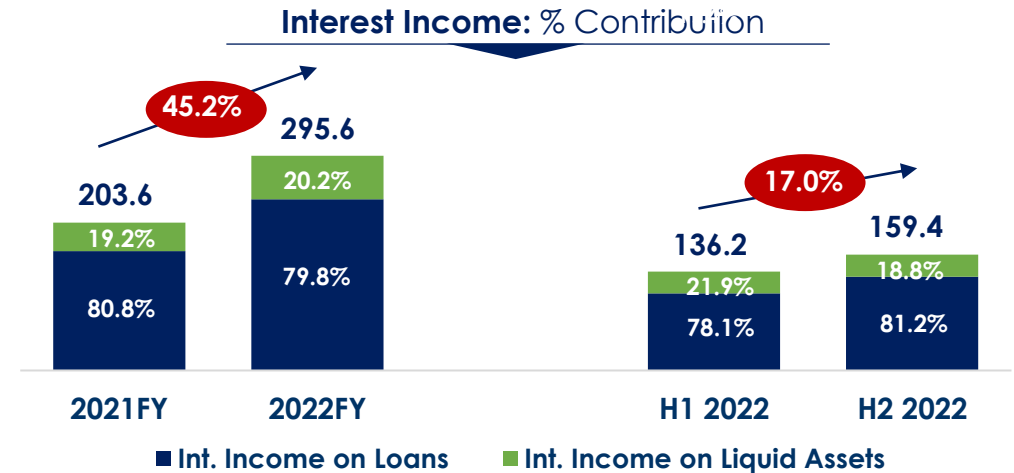
- 34.4% growth in gross earnings was led by 45.2% increase in interest income to ₺295.6bn from ₺203.6bn in 2021FY.
- Increased interest income was driven by improved yields on earnings assets and 19.1% expansion in earnings base:
  - Avg. yield on earning assets increased to 12.2% from 10.1% in 2021FY.
- 19.2% decline in net fee income was caused by 76.8% (₺8.9bn) drop in net FX gains which dropped to ₺2.7bn from ₺11.5bn in 2021FY.
- Digital banking income now represents 50.7% of net fee income and 33.3% of NII.
  - 29.5% YoY increase in digital banking income is attributable to 24.0% increase in customer induced digital transactions.



# Combination of improved yield and earnings base is boosting revenue

## Breakdown of Gross Earnings

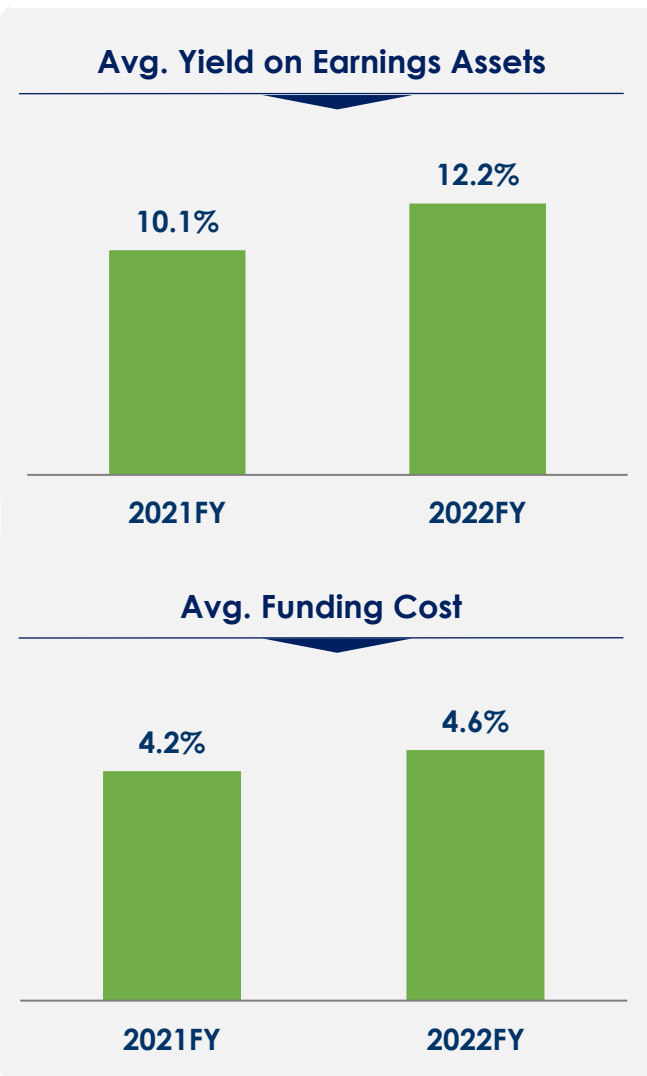
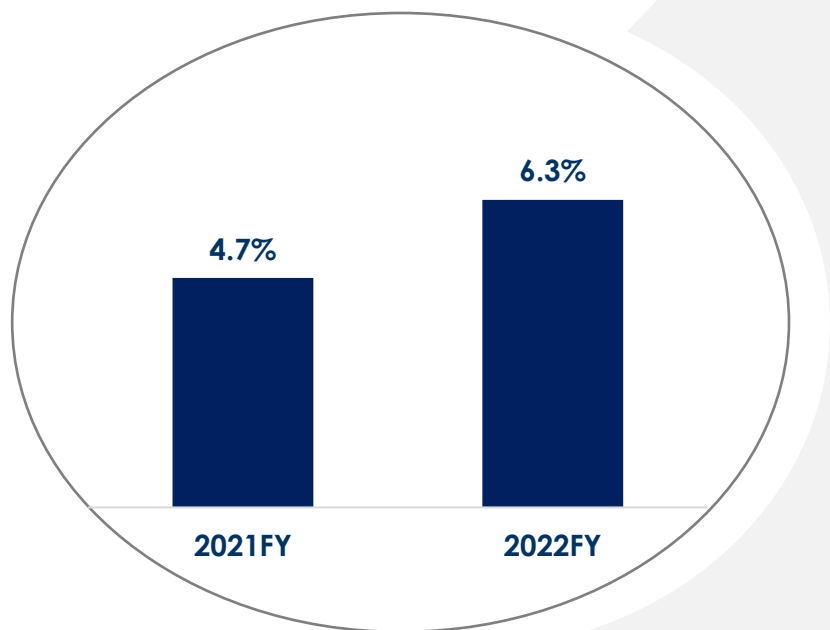
N'billion	2021FY	2022FY	VAR	% VAR
Int. Inc. on Loans	164.5	235.8	71.3	43.4%
Int. Inc. on Liquid Asset	39.1	59.8	20.7	53.0%
FX Income	14.5	5.9	-8.6	-59.4%
Digital Income	10.7	13.8	3.1	29.5%
Maintenance Charge	4.1	5.0	0.9	21.6%
Trade	2.9	4.1	1.2	40.8%
Credit Related Fee	4.3	3.3	-1.0	-24.1%
Others	10.7	9.4	-1.3	-12.2%
	<b>250.8</b>	<b>337.0</b>	<b>86.3</b>	<b>34.4%</b>



- % Interest income on liquid assets (investment in securities) to total interest income improved to 20.1% from 19.2% in 2021FY.
  - Increase is attributable to improved interest rate environment.
- 59.4% drop in FX related income was responsible for the 12.2% decline in non-interest income (NII).
  - NII is gradually ticking up, rising by 22.7% in H2 Vs. H1.



## High yield environment boosted NIM despite increased funding cost



- NIM increased to 6.3% from 4.7% owing to improved interest rate environment which impacted on both yields and funding cost.
  - Increase in avg. yield on earning assets surpassed the growth in avg. funding cost by 172bps, resulting in higher NIM.
- Higher returns on investment securities and avg. lending rate led to the increase in yields on earning assets;
  - Yield on investment securities came in at 11.0% from 7.4% while avg. lending rate increased to 12.5% from 11.0%.
- The increase in avg. funding cost was largely caused by FX trade lines and upward review of interest rate on intervention funds.
  - Cost of deposit increased marginally by 20bps YoY.



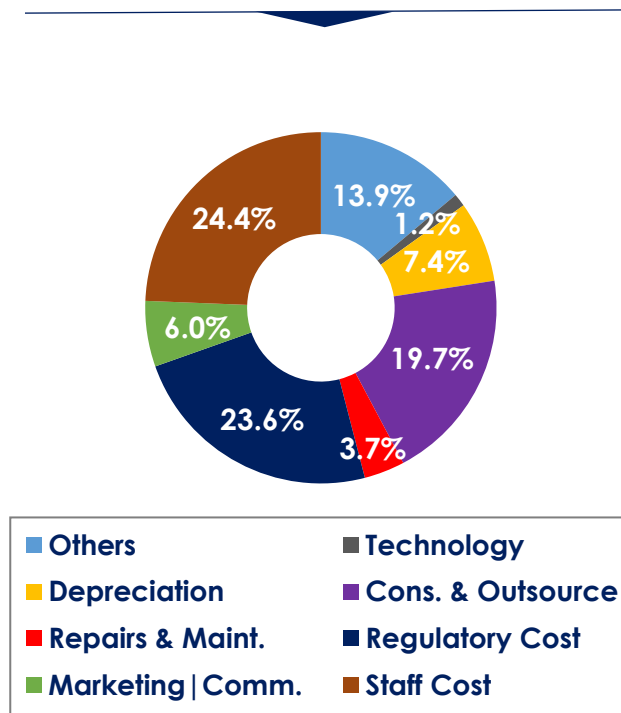


# Improved CIR to 67.1% despite increased operating expenses

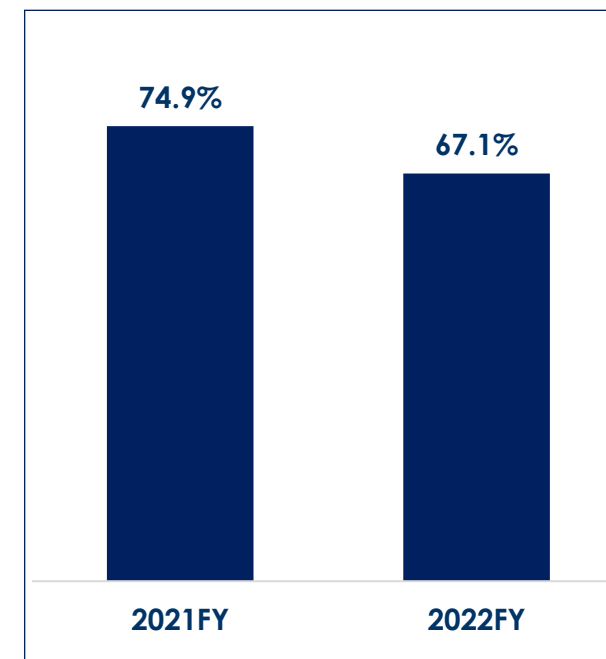
## Breakdown of OPEX

N'million	2021FY	2022FY	% Growth
Regulatory Charges	22,741	26,514	16.6%
Staff Cost	23,470	29,731	26.7%
Marketing   Comm   Entr.	5,824	21,883	275.7%
Consulting & Outsourcing	18,973	10,431	-45.0%
Depreciation	7,174	6,616	-7.8%
Repairs & Maint.	3,604	5,395	49.7%
Energy	1,558	2,948	89.1%
Technology	1,136	4,422	289.3%
Secutity	1,568	1,484	-5.4%
Others	10,264	11,360	10.68%
	<b>96,312</b>	<b>120,784</b>	<b>25.4%</b>

## Key drivers of OPEX: % Contributions



## CIR



- OPEX increased by 25.4% to ₱120.8bn, driven by regulatory charges (AMCON & NDIC), staff cost, communication, and technology etc.
  - The cost drivers were responsible for 79.6% of the absolute growth in OPEX. However, CIR declined to 67.1% from 74.9% in 2021FY.
- Improved CIR was hinged on 39.9% increase in operating income: further drop in CIR will come from a combination of increased revenue and moderation in OPEX.



## Financial Performance Highlights - SFP

Statement of Financial Position				
N'million	2021FY	2022FY	VAR	% VAR
<b>Total Assets</b>	<b>3,280,454</b>	<b>3,989,009</b>	<b>708,555</b>	<b>21.6%</b>
<b>Earning Assets</b>	<b>2,217,080</b>	<b>2,640,137</b>	<b>423,057</b>	<b>19.1%</b>
Bank Placements	12,000	13,601	1,601	13.3%
Treasury Bills	330,441	280,276	(50,165)	-15.2%
Bonds	216,227	230,048	13,821	6.4%
Net Loans	1,658,412	2,116,212	457,800	27.6%
<b>Non-Earning Assets</b>	<b>1,063,374</b>	<b>1,348,872</b>	<b>285,498</b>	<b>26.8%</b>
Cash	42,755	33,300	(9,455)	-22.1%
Restricted Bal. with CBN	686,097	863,090	176,993	25.8%
Bal. with other Banks	164,498	253,444	88,946	54.1%
Fixed Assets	39,442	42,657	3,215	8.2%
All Other Assets	130,582	156,381	25,799	19.8%
<b>Interest Bearing Liabilities</b>	<b>2,870,708</b>	<b>3,315,667</b>	<b>444,959</b>	<b>15.5%</b>
Customer Deposits	2,024,803	2,580,597	555,794	27.4%
Other Borrowings	88,973	41,917	(47,056)	-52.9%
On-lending Facilities	377,492	473,604	96,112	25.5%
Debt Securities	379,440	219,549	(159,891)	-42.1%
<b>All Other Liabilities</b>	<b>124,452</b>	<b>358,982</b>	<b>234,530</b>	<b>188.5%</b>
<b>Equity</b>	<b>285,294</b>	<b>314,360</b>	<b>29,066</b>	<b>10.2%</b>

➤ Earning Assets represents 66.2% of total assets and grew by 19.1% to ₺2.6tn from ₺2.2tn in 2021FY.

➤ The repayment of \$400m Eurobonds in Oct 2022 was responsible for the drop in treasury bills held in sinking funds.

➤ Continuous optimization of the balance sheet is responsible for:

➤ lower idle assets (cash balances)

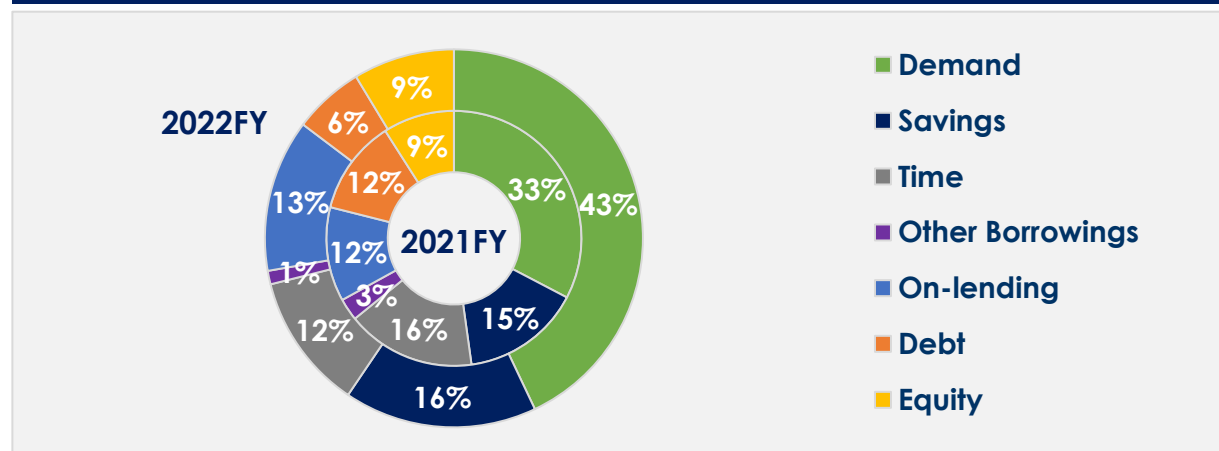
➤ Build up of large stock of stable and low-cost deposits and:

➤ Replacement of expensive FCY borrowings with cheaper customer FCY deposits.



## Customer deposits is the largest funding source at 71.1% of total funding base.

N'million	2021FY	2022FY	VAR	% VAR
Demand Deposits	1,031,091	1,559,170	528,079	51.2%
Savings Deposits	477,174	599,331	122,157	25.6%
Tenor Deposits	516,538	422,096	(94,442)	-18.3%
Other Borrowings	88,973	41,917	(47,056)	-52.9%
On-Lending	377,492	473,604	96,112	25.5%
Debt Securities	379,440	219,549	(159,891)	-42.1%
Equity	285,294	314,360	29,066	10.2%
<b>Total</b>	<b>3,156,002</b>	<b>3,630,027</b>	<b>474,025</b>	<b>15.0%</b>

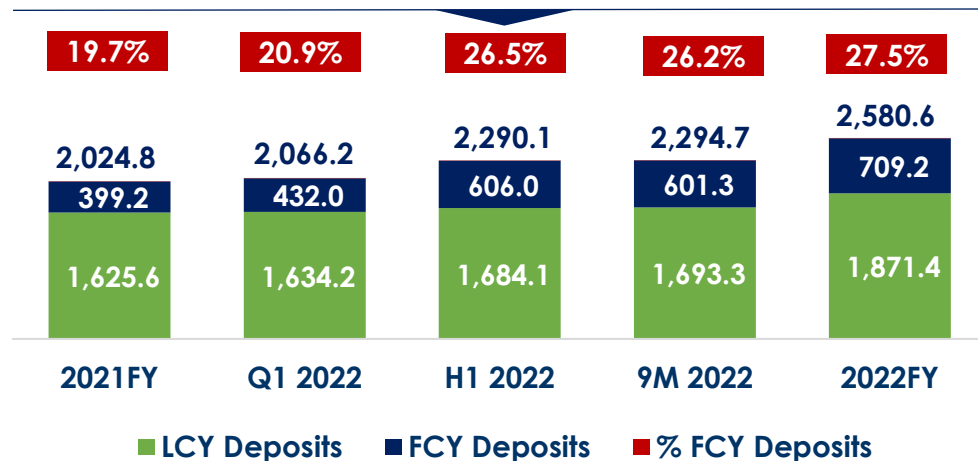


- Total funding base was boosted by 27.4% growth in total customer deposits and 25.5% increase in intervention/on-lending funds.
- Increase in total deposits was driven by double-digit growth in low-cost-deposits (Demand | Savings | Domiciliary).
  - FCY deposits increased by \$597m (63.4% YoY) to \$1.5bn and now accounts for 27.5% of total deposits from 19.5% in 2021FY while;
  - LCY deposits increased by 15.1% to ₦1.9trn.
- Low-cost deposits increased by 43.1% YoY to ₦2.2trn and now represents 83.6% of total deposits from 74.5% in 2021FY, which boosted NIM.
- Savings deposits grew by 25.6% YoY to ₦599.3bn, as we mark the 10<sup>th</sup> consecutive double-digit annual growth.

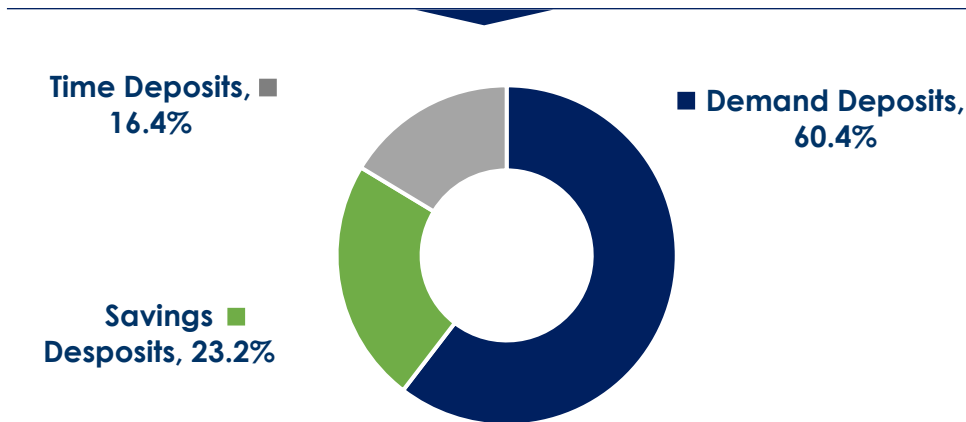


# Low-cost deposits accounted for 83.1% of total customer deposits

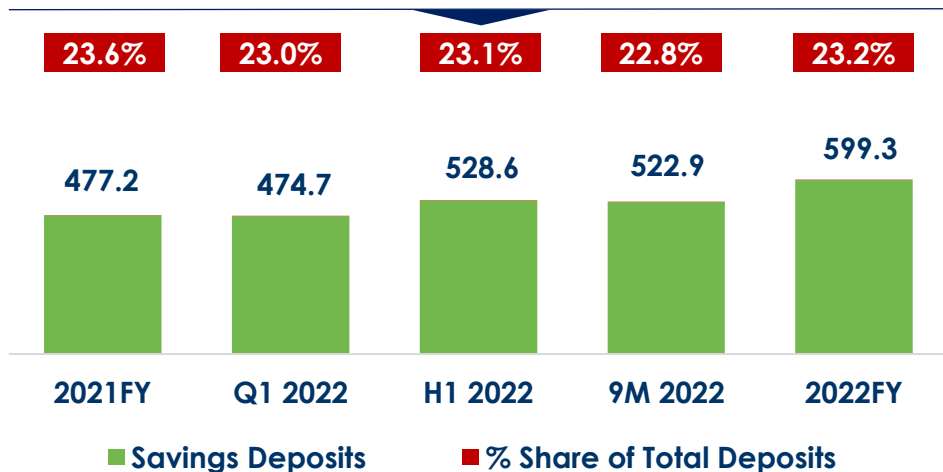
Customer Deposits (N'bn)



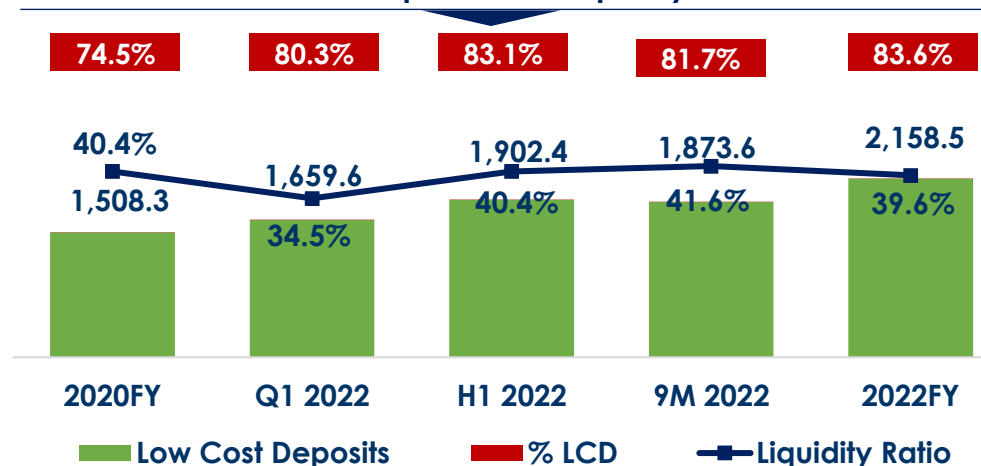
Customer Deposits by Type



Savings Deposits (N'bn)



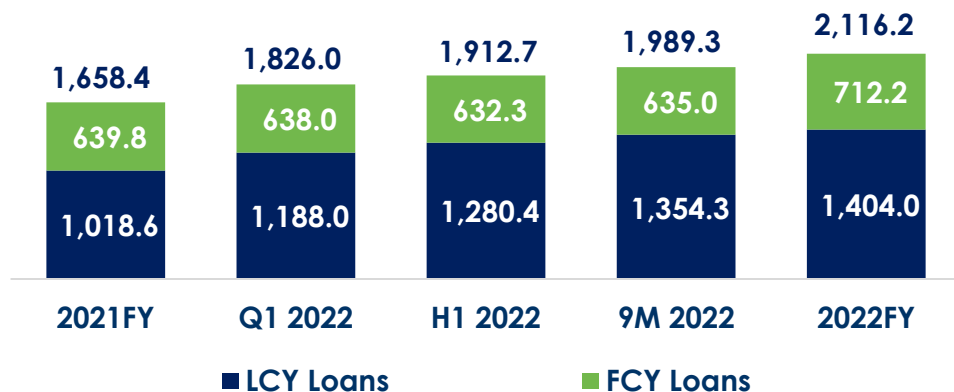
Low Cost Deposits Vs. Liquidity Ratio



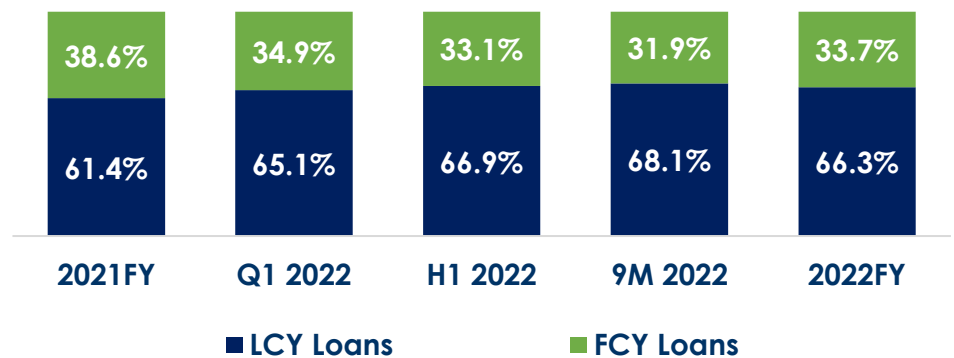


## Loans & Advances Analysis

Net Loans & Advance (N'bn)



LCY Loans Vs. FCY Loans

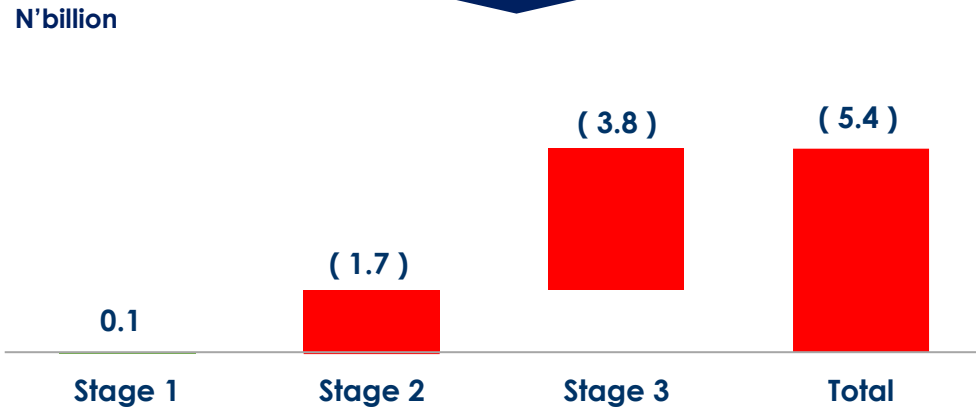


- Net loans & advances increased by 27.6% to ₦2.1tn, with 39.4% of the loan book within the 12 months or less maturity portfolio.
- The combination of on-lending facilities (21.0%) and the impact of naira devaluation (12.5%) was responsible for 33.5% of absolute growth in the loan book.
- In absolute terms, FCY Loans grew by 2.4% ytd and now constitutes 33.7% of total loan book from 38.6% in 2021.
- On-lending facilities represent 22.4% of total loan book and 33.7% of naira denominated loans while;
  - 24.9% (₦96.1bn) of the growth in the LCY loan book were created with on-lending facilities at concessionary rates.
- Loans to funding ratio improved to 69.0% compared to 62.9% in 2021FY after weighting all permissible loans: Mortgage Loans | SME Loans | Consumer loans etc.



# Improved asset quality led to a drop in impairment charge

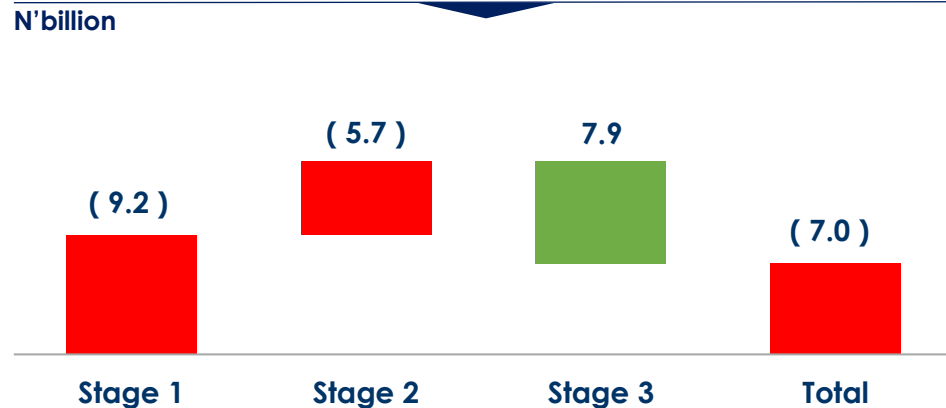
2022FY Impairment Charge



Impairment Charge



2021FY Impairment Charge



Total Impairment Allowance by Currency

	2021FY	2022FY	VAR	% VAR
FCY	16.0	19.0	3.0	18.7%
NGN	54.7	61.5	6.9	12.6%
<b>TOTAL</b>	<b>70.7</b>	<b>80.5</b>	<b>9.9</b>	<b>13.9%</b>



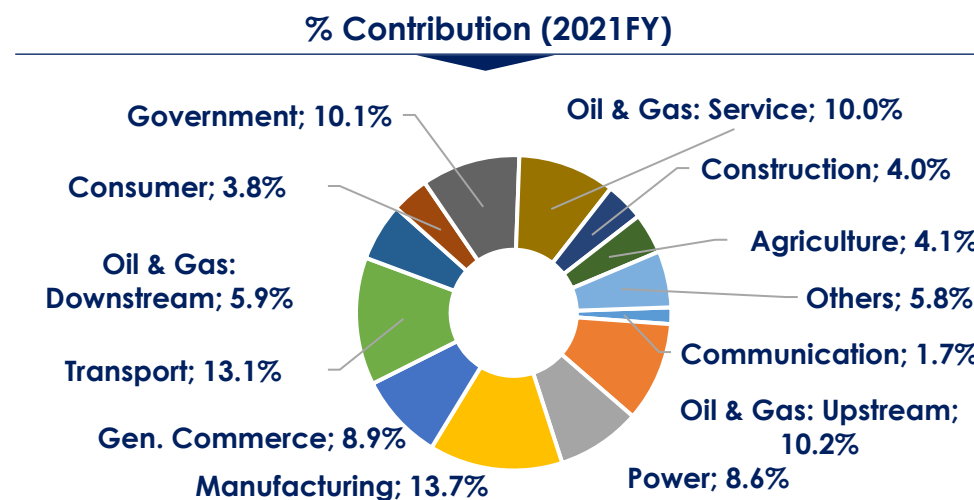
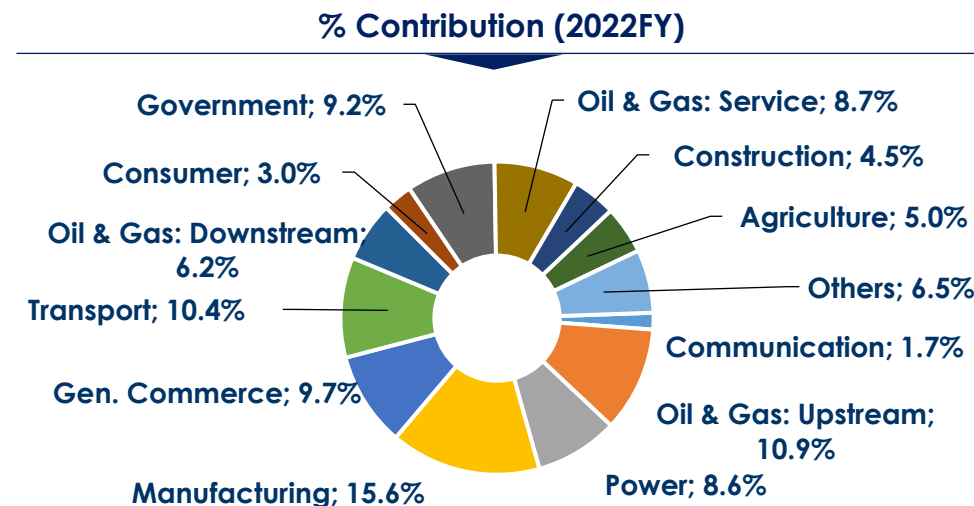
## Diversified loan book with focus on asset quality

Gross Loans by Sector							
₹'million	2021FY	Q1 2022	H1 2022	9M 2022	2022FY	VAR	% VAR
Communication	29,535	34,766	37,250	40,860	37,878	(2,982)	-7.3%
Oil and Gas	452,848	497,313	506,863	519,401	565,913	46,511	9.0%
- <b>Upstream</b>	<b>177,409</b>	<b>203,240</b>	<b>222,771</b>	<b>239,722</b>	<b>238,622</b>	<b>(1,101)</b>	<b>-0.5%</b>
- <b>Downstream</b>	<b>102,770</b>	<b>123,756</b>	<b>119,311</b>	<b>119,863</b>	<b>135,916</b>	<b>16,054</b>	<b>13.4%</b>
- <b>Services</b>	<b>172,670</b>	<b>170,318</b>	<b>164,782</b>	<b>159,817</b>	<b>191,375</b>	<b>31,558</b>	<b>19.7%</b>
Power	149,675	151,698	192,248	185,542	188,961	3,419	1.8%
Manufacturing	231,955	272,086	284,007	315,225	341,943	26,718	8.5%
General Commerce	153,795	166,168	175,874	194,548	213,873	19,325	9.9%
Transport	226,727	227,775	226,140	224,875	227,728	2,853	1.3%
Consumer (Individuals)	66,658	67,789	70,278	72,150	66,986	(5,164)	-7.2%
Government	175,365	214,650	213,259	203,289	202,183	(1,105)	-0.5%
Construction	58,971	77,698	78,135	91,743	98,793	7,049	7.7%
Agriculture	71,759	73,747	81,915	93,182	109,006	15,824	17.0%
Real Estate	43,330	44,548	45,486	46,834	48,181	1,348	2.9%
Education	8,075	10,007	10,993	12,731	12,901	170	1.3%
Finance & Insurance	4,898	3,301	3,550	3,675	8,842	5,166	140.6%
Others	58,954	59,238	63,262	63,404	73,572	10,168	16.0%
<b>Total</b>	<b>1,732,545</b>	<b>1,900,784</b>	<b>1,989,259</b>	<b>2,067,458</b>	<b>2,196,759</b>	<b>129,301</b>	<b>6.3%</b>



## Sectoral contributions remain below internal guidance and portfolio limit of 20.0%

Gross Loans by Sector				
₹'million	2021FY	2022FY	VAR	% VAR
Communication	29,535	37,878	8,343	28.2%
Oil and Gas	452,848	565,913	113,065	25.0%
- <b>Upstream</b>	<b>177,409</b>	<b>238,622</b>	<b>61,213</b>	<b>34.5%</b>
- <b>Downstream</b>	<b>102,770</b>	<b>135,916</b>	<b>33,147</b>	<b>32.3%</b>
- <b>Services</b>	<b>172,669</b>	<b>191,375</b>	<b>18,705</b>	<b>10.8%</b>
Power	149,675	188,961	39,286	26.2%
Manufacturing	237,058	341,943	104,885	44.2%
General Commerce	153,795	213,873	60,078	39.1%
Transport	226,727	227,728	1,001	0.4%
Consumer (Individuals)	66,658	66,986	328	0.5%
Government	175,365	202,183	26,818	15.3%
Construction	68,730	98,793	30,063	43.7%
Agriculture	71,759	109,006	37,247	51.9%
Real Estate	43,330	48,181	4,851	11.2%
Education	8,075	12,901	4,826	59.8%
Finance & Insurance	4,898	8,842	3,944	80.5%
Others	44,090	73,572	29,482	66.9%
<b>Total</b>	<b>1,732,543</b>	<b>2,196,759</b>	<b>464,216</b>	<b>26.8%</b>







## Adequate coverage across stages with NPL coverage at 124.6%

Gross Loan Book by Stage								
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Communication	23,684	12,446	1,748	37,878	62.5%	32.9%	4.6%	1.7%
Oil and Gas	370,437	190,737	4,738	565,913	65.5%	33.7%	0.8%	25.8%
- Oil & Gas Upstream	106,005	132,617	0	238,622	44.4%	55.6%	0.0%	10.9%
- Oil & Gas Downstream	119,862	12,759	3,296	135,916	88.2%	9.4%	2.4%	6.2%
- Oil & Gas Services	144,571	45,362	1,442	191,375	75.5%	23.7%	0.8%	8.7%
Power	34,303	154,658	0	188,961	18.2%	81.8%	0.0%	8.6%
Manufacturing	327,866	10,932	3,145	341,943	95.9%	3.2%	0.9%	15.6%
General Commerce	201,105	5,339	7,429	213,873	94.0%	2.5%	3.5%	9.7%
Transport	173,765	42,566	11,397	227,728	76.3%	18.7%	5.0%	10.4%
Consumer (Individuals)	52,634	1,163	13,189	66,986	78.6%	1.7%	19.7%	3.0%
Government	201,437	728	18	202,183	99.6%	0.4%	0.0%	9.2%
Construction	91,609	2,062	5,121	98,793	92.7%	2.1%	5.2%	4.5%
Agriculture	104,176	280	4,550	109,006	95.6%	0.3%	4.2%	5.0%
Real Estate	47,967	43	172	48,181	99.6%	0.1%	0.4%	2.2%
Education	12,292	11	597	12,901	95.3%	0.1%	4.6%	0.6%
Finance and Insurance	8,144	0	697	8,842	92.1%	0.0%	7.9%	0.4%
Others	59,505	2,224	11,843	73,572	80.9%	3.0%	16.1%	3.3%
<b>Total</b>	<b>1,708,925</b>	<b>423,190</b>	<b>64,644</b>	<b>2,196,759</b>	<b>77.8%</b>	<b>19.3%</b>	<b>2.9%</b>	<b>100.0%</b>



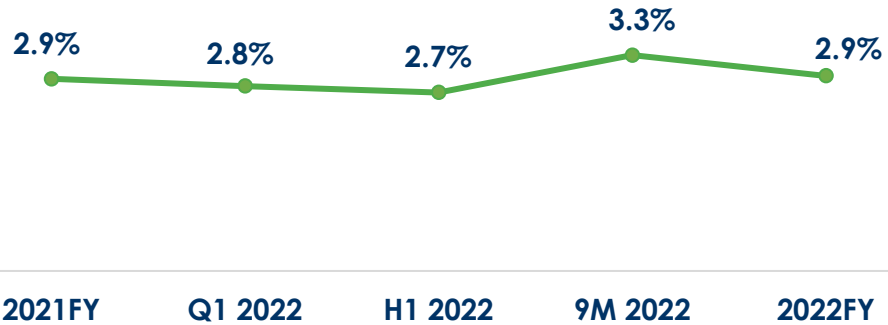
## Non-performing loans (NPL) analysis

NPL Analysis							
	2021FY	2022FY	VAR	% VAR	2021FY	2022FY	
	₦'million	₦'million	₦'million	%	NPL Ratio	NPL Ratio	
Communication	982	1,748	765	77.9%	3.3%	4.6%	
Oil and Gas	4,203	4,738	535	12.7%	0.9%	0.8%	
- Oil & Gas Upstream	0	0	-	0.0%	0.0%	0.0%	
- Oil & Gas Downstream	2,805	3,296	490	17.5%	2.7%	2.4%	
- Oil & Gas Services	1,398	1,442	45	3.2%	0.8%	0.8%	
Power	0	0	0	0.0%	0.0%	0.0%	
Manufacturing	3,160	3,145	(15)	-0.5%	1.3%	0.9%	
General Commerce	6,698	7,429	730	10.9%	4.4%	3.5%	
Transport	10,387	11,397	1,010	9.7%	4.6%	5.0%	
Consumer (Individuals)	6,525	13,189	6,663	102.1%	9.8%	19.7%	
Government	16	18	2	9.5%	0.0%	0.0%	
Construction	317	5,121	4,804	1513.4%	0.5%	5.2%	
Agriculture	4,326	4,550	224	5.2%	6.0%	4.2%	
Real Estate	170	172	1	0.8%	0.4%	0.4%	
Education	609	597	(12)	-1.9%	7.5%	4.6%	
Finance and Insurance	666	697	31	4.6%	13.6%	7.9%	
Others	12,112	11,843	(269)	-2.2%	27.5%	16.1%	
<b>Total</b>	<b>50,174</b>	<b>64,644</b>	<b>14,470</b>	<b>28.8%</b>	<b>2.9%</b>	<b>2.9%</b>	

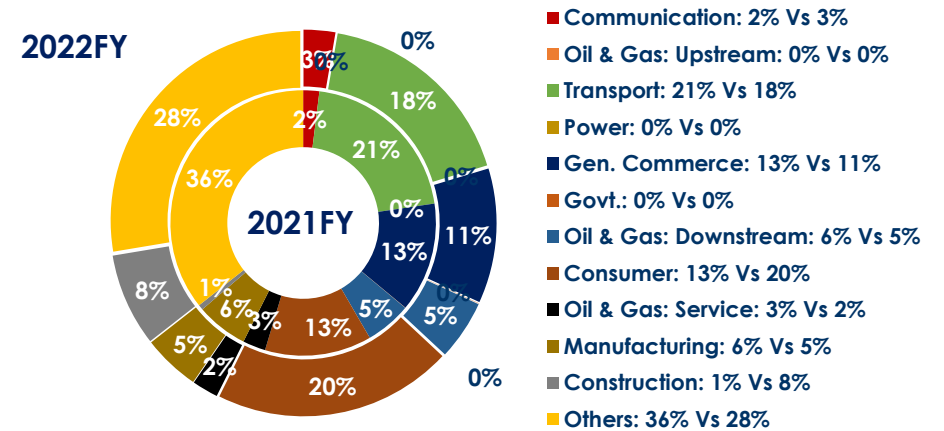


# Focus remains on asset quality as the loan book increases

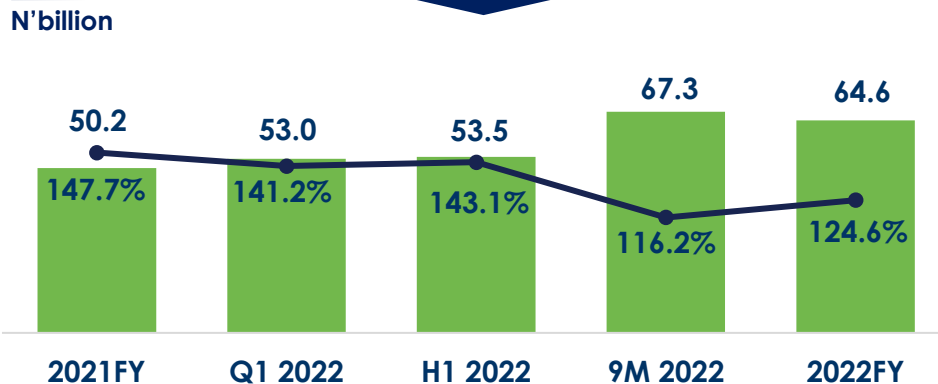
**Non-performing Loan (NPL) Ratio**



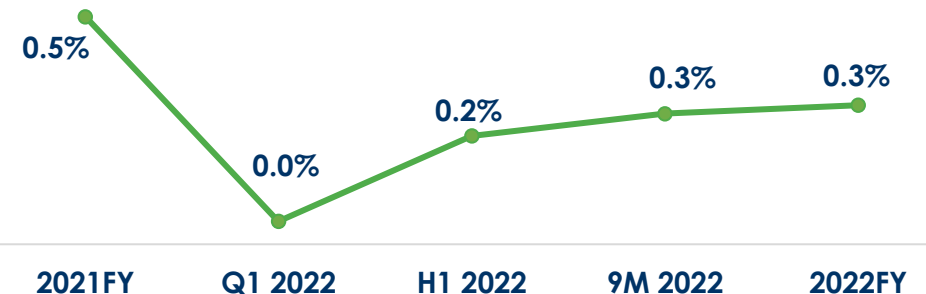
**NPL Contribution by Sector (2021FY Vs. 2022FY)**



**NPL Coverage Ratio**



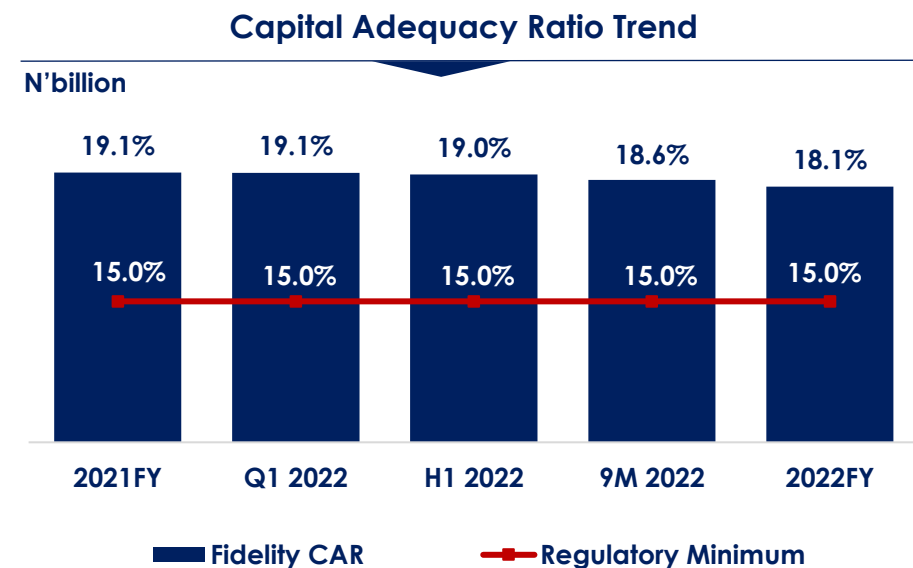
**Cost of Risk**





CAR stood at 18.1%, well above the regulatory minimum requirement of 15.0%

Capital Adequacy Ratio Computation – Basel II			
N'billion	2021FY	2022FY	VAR
Tier 1 Capital	219.2	218.2	(1.1)
Tier 2 Capital	73.1	71.3	(1.8)
<b>Total Qualified Capital</b>	<b>292.3</b>	<b>289.5</b>	<b>(2.8)</b>
Credit Risk	1,230.4	1,326.8	96.4
Market Risk	86.4	18.0	(68.4)
Operational Risk	210.0	250.9	40.9
<b>Risk Weighted Assets</b>	<b>1,526.7</b>	<b>1,595.7</b>	<b>69.0</b>
<b>Capital Adequacy Ratio</b>			
Tier 1	14.4%	13.7%	
Tier 2	4.8%	4.5%	
<b>Overall CAR</b>	<b>19.1%</b>	<b>18.1%</b>	



- Fidelity has sustained its strong capital position qoq/yoy.
- CAR stood at 18.1% in 2022FY and remains well above the regulatory minimum of 15.0%.
- Proceeds from the successful private placement will add circa 100bps to CAR in 2023, which will increase existing headroom for asset growth.

# Do More With



# \*770#

Start now. Dial \*770#





## Actual Vs. Target

	2022FY Actual	2022FY Target	Comment	2023FY Target
PBT	₦53.7bn	₦48.0bn	Achieved	₦70.0bn
Loan Growth	27.60%	10.0% - 15.0%	Achieved	10.0% - 15.0%
Deposit Growth	27.40%	15.0% - 20.0%	Achieved	15.0% - 20.0%
Net Interest Margin	6.30%	5.0% - 6.0%	Achieved	6.0% - 6.5%
Cost to Income Ratio	67.10%	Below 65.0%	<b>Not Achieved</b>	Below 65.0%
RoAE – Post Tax	15.60%	14.70%	Achieved	18.2%
Cost of Risk	0.30%	1.00%	Achieved	1.0%
NPL Ratio	2.90%	Below 5.0%	Achieved	Below 5.0%
Tax Rate	13.00%	15.0% - 20.0%	Achieved	10.0% - 15.0%
Proposed Dividends	31.0% (50K/Share)	25 - 40% (of PAT)	Achieved	25 - 40% (of PAT)

The Board of Fidelity Bank approved an interim dividend of 10kobo and a final dividend of 40kobo per share.





Fidelity Bank Plc.

2 Kofo Abayomi Street,

Victoria Island, Lagos, Nigeria

+234 (01) 4480853

[info.investor@fidelitybank.ng](mailto:info.investor@fidelitybank.ng)

[www.fidelitybank.ng](http://www.fidelitybank.ng)