

LAGOS, NIGERIA - 27 APR 2023: Fidelity Bank (Bloomberg: **FIDELITY:NL** | Reuters: **FIDELIT:LG**) announced its Audited Financial Statements for the 12 months ended 31 December 2022.

**Fidelity Bank records a PBT of N53.7bn and declares total dividend of 50K per share.**

## Financial Highlights

	2021FY N'million	2022FY N'million	Change N'million	% Change %
<b>Income Statement</b>				
Gross Earnings	250,776	337,050	86,274	34.4%
Net Interest Income	94,879	152,695	57,816	60.9%
Other Income	33,682	27,209	-6,473	-19.2%
Net Revenue	128,561	179,904	51,343	39.9%
Operating Expenses	-96,312	-120,784	-24,472	25.4%
Operating Profit	32,249	59,120	26,871	83.3%
Impairment Charges	-7,034	-5,443	1,591	-22.6%
Profit before Tax	25,215	53,677	28,462	112.9%
Profit after Tax	23,104	46,724	23,620	102.2%
<b>Balance Sheet</b>				
Customer Deposits	2,024,803	2,580,597	555,794	27.4%
Total Equity	285,294	314,360	29,066	10.2%
Net Loans & Advances	1,658,412	2,116,212	457,800	27.6%
Total Assets	3,280,454	3,989,009	708,555	21.6%
<b>Key Ratios</b>				
Return on Equity	8.3%	15.6%	▲	7.3%
Net Interest Margin	4.7%	6.3%	▲	1.6%
Cost of Risk	0.5%	0.3%	▼	-0.2%
Cost to Income Ratio	74.9%	67.1%	▼	-7.8%
Non-performing Loans Ratio	2.9%	2.9%	■	0.0%
Capital Adequacy Ratio	19.1%	18.1%	▼	-1.0%



**Gross Earnings** increased by 34.4% to ₦337.1bn, driven by 45.2% growth in interest and similar income to ₦295.6bn. The increase in Interest Income was led by a combination of improved yield on earnings assets and 19.1% expansion in earnings base to ₦2.6tn. However, non-interest income declined by ₦5.7bn (12.2% yoy) due to ₦8.9bn (76.8% yoy) drop in foreign exchange gains, while other key income lines (digital, trade and maintenance charges etc.) recorded double-digit growth.

**Net interest income** increased by 60.9% to ₦152.7bn. High yield environment had a positive impact on NIM, which increased to 6.3% from 4.7% in 2021FY while avg. funding cost inched up slightly to 4.6% from 4.2%. We were able to boost asset yields above funding costs by mobilizing low-cost deposit to 83.6% from 74.5% in 2021FY.

**Operating expenses** increased by 25.4% to ₦120.8bn. AMCON, deposit insurance, staff cost, communication, and technology were the key drivers and responsible for 79.6% of the absolute growth in operating expenses. Nonetheless, cost to income ratio declined to 67.1% from 74.9% in 2021FY.

**Total Deposits** increased by 27.4% to ₦2.6tn from ₦2.0tn in 2021FY, in line with our guidance for 2022FY. The increase was driven by 43.1% growth in low-cost deposits (Demand | Savings | Domiciliary), which resulted in improved margins. FCY deposits increased by \$597m (63.4% ytd) to \$1.5bn and now accounts for 27.5% of total deposits from 19.7% in 2021FY, as we continue to harness the benefits of our renewed drive in the export business and the diaspora banking space.

**Net Loans & Advances** increased by 27.6% to ₦2.1tn from ₦1.7tn in 2021FY. However, the combination of on-lending facilities and the impact of naira devaluation was responsible for 33.5% of the absolute growth in loan book. Non-performing loans (NPL) ratio remained unchanged at 2.9% while cost of risk improved to 0.3% from 0.5% in 2021FY, a reflection of curative asset quality.

**Other Regulatory Ratios** stood well-above their minimum regulatory thresholds with liquidity ratio at 39.6% and capital adequacy ratio (CAR) at 18.1% compared to the minimum requirement of 15.0%.

**Digital Adoption** gained further traction in 2022 with 624,000 new customers enrolled on mobile banking service and over 90% of customer transactions carried out across our digital banking platforms. Digital banking income accounted for 33.3% of total non-interest income from 22.6% in 2021.

In 2023, we are committed to our strategic plan of expanding our service touchpoints beyond the Nigerian market and providing straight-through services that meet and exceed the needs of our growing clientele.

We Are Fidelity. We Keep Our Word

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Fidelity Bank Plc

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## ANALYSTS AND INVESTORS CONFERENCE CALL INVITATION

Fidelity Bank will hold a conference call on **Tuesday, 02 May 2023** at **15.00 hours Lagos | 15:00 London | 10:00 New York | 16.00 Johannesburg** to discuss the 2022 Audited Results. There will be a question and answer session after the presentation of the **2022FY performance** of the Bank by the management team.

To obtain the dial-in details, kindly pre-register for the call **HERE** or use the link below:

**<https://services.choruscall.za.com/DiamondPassRegistration/register?confirmationNumber=7420827&linkSecurityString=12b6b8d2d5>**

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### About Fidelity Bank Plc

Fidelity Bank Plc is a full-fledged commercial bank with over 7.5 million customers who are serviced across its 250 business offices and various digital banking channels. The Bank is focused on select niche corporate banking sectors, small and medium enterprises (SMEs) and has rapidly implemented a digital-led retail banking strategy which led to over 400% growth in savings deposits in the last 7 years, 57.0% customer enrollment on its flagship mobile / internet banking products and 91.0% of customer-induced transactions now done on its digital banking platforms.

Fidelity began operations in 1988, as a merchant bank. In 1999, it converted to commercial banking and then became a universal bank in February 2001. Fidelity Bank is today ranked the 6<sup>th</sup> largest Nigerian Bank, with presence in every commercial hub and key business centres in Nigeria.

The Bank is led by a stable, experienced, and highly regarded management team. The team has built the bank on sound corporate governance with robust enterprise-risk management at the core of the Bank's operations. It has also voluntarily subjected itself to the NGX Corporate Governance Rating System (CGRS) and compliance.

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