

LAGOS, NIGERIA - 15 APR 2024: Fidelity Bank Plc (Bloomberg: **FIDELITY:NL** | Reuters: **FIDELIT:LG**) announced its Audited Financial Statements for the 12 months ended 31 December 2023.

Fidelity Bank records a 131.5% growth in PBT to N124.3bn and declares a final dividend of 60kobo per share.

Financial Highlights

	2022FY N'million	2023FY N'million	Change N'million	% Change %
Income Statement				
Gross Earnings	337,050	555,830	218,780	64.9%
Net Interest Income	152,695	277,366	124,671	81.6%
Other Income	27,209	109,271	82,062	301.6%
Net Revenue	179,904	386,636	206,732	114.9%
Operating Expenses	(120,784)	(194,939)	(74,155)	61.4%
Operating Profit	59,120	191,697	132,577	224.3%
Impairment Charges	(5,443)	(67,436)	(61,993)	1138.9%
Profit before Tax	53,677	124,260	70,583	131.5%
Profit after Tax	46,724	99,454	52,730	112.9%
	2022FY	2023FY	Change	% Change
Balance Sheet				
Customer Deposits	2,580,597	4,014,811	1,434,214	55.6%
Total Equity	314,360	437,307	122,947	39.1%
Net Loans & Advances	2,116,212	3,092,419	976,207	46.1%
Total Assets	3,989,009	6,234,688	2,245,679	56.3%
Key Ratios				
Return on Equity	15.6%	26.5%	▲	10.9%
Net Interest Margin	6.3%	8.1%	▲	1.8%
Cost of Risk	0.3%	2.6%	▲	2.3%
Cost to Income Ratio	67.1%	50.4%	▼	-16.7%
Non-performing Loan Ratio	2.9%	3.5%	▲	0.6%
Capital Adequacy Ratio	18.1%	16.2%	▼	-1.9%

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Nneka Onyeali-Ikpe, MD/CEO of Fidelity Bank Plc commenting on the results, stated that:

"We closed the financial year with strong double-digit growth across key income and balance-sheet lines, which underpins our capacity to deliver superior returns to shareholders. Profit before tax grew by 131.5% to ₦124.3bn from ₦53.7bn in 2022FY, leading to an increase in Return on Average Equity (RoAE) to 26.5% from 15.6% in 2022FY.

Net interest income increased by 81.6% to ₦277.4bn driven by 55.5% increase in interest income, reflecting a steady rise in asset yield throughout the year. However, the average funding cost dropped by 20bps to 4.4% due to an improved deposit mix as we mobilize low-cost funds to 97.4% from 83.6% in 2022FY. The combination of higher asset yield and moderation in funding cost led to an increase in Net Interest Margin (NIM) to 8.1% from 6.3% in 2022FY.

Operating expenses increased by 61.4% to ₦194.9bn. The drivers were regulatory charges, staff costs, technology costs, repairs and maintenance, etc. However, due to strong revenue growth, the cost-to-income ratio declined to 50.4% from 67.1% in 2022FY.

Total Deposits crossed the ₦4tn mark as customer deposits grew by 55.6% to ₦4.0tn from ₦2.6tn in 2022FY. The increase was driven by 81.1% growth in low-cost funds (Demand | Savings | Domiciliary), while tenured funds declined by 75.1%, resulting in improved margins. FCY deposits increased by 94.1% and now accounts for 34.3% of total deposits from 27.5% in 2022FY, while LCY deposits increased by 41.0%.

Savings deposits grew by 47.0% to ₦880.9bn, now representing 21.9% of total deposits.

Net Loans & Advances increased by 46.1% to ₦3.1tn from ₦2.1tn in 2022FY. However, actual growth was 7.9% while the impact of Naira depreciation accounted for 38.2% growth in the loan book. Non-performing loan ratio (NPL) inched up to 3.5% from 2.9% in 2022FY, while cost of risk increased to 2.6% from 0.3% in 2022FY, as we conservatively increased our impairment buffers to ensure we sustain a healthy asset quality in 2024.

Regulatory Ratios stood well above their minimum regulatory thresholds, with liquidity ratio at 45.3% from 39.6% in 2022FY and capital adequacy ratio (CAR) at 16.2% compared to the minimum requirement of 15.0%.

We recognize the changing dynamics in the Nigerian banking space and the need to monitor and proactively manage evolving risks. The proposed final dividend of 60 kobo per share reflects our commitment to strong value creation and returns to our shareholders".



FIDELITY BANK 2023FY EARNINGS CALL INVITATION

Fidelity Bank will host a conference call on **Friday, 19 April 2024**, at **15.00 hours Lagos | 15:00 London | 10:00 New York | 16.00 Johannesburg** to discuss the **2023FY Audited Results**. There will be a Q&A session after the presentation of the 2023FY performance 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=3181590&linkSecurityString=ad023a26e>

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About Fidelity Bank Plc

Fidelity Bank Plc is a full-fledged commercial bank with over 8.3 million customers who are serviced across its 251 business offices and various digital banking channels in Nigeria and the United Kingdom. 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 468% growth in savings deposits in the last 7 years, 61% customer enrollment on its flagship mobile/internet banking products and 92.0% 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. In July 2023, it acquired a 100% equity stake in Union Bank UK to enable it tap cross-border opportunities and provide scalable services to its growing clientele. Fidelity Bank is today ranked the 6th largest Nigerian Bank, with presence in the City of London and every commercial hub and key business centres in Nigeria.

Fidelity 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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