



Fidelity Bank Plc announces a 35.7% growth in PBT to N38.1bn and proposes dividend of 35 kobo per share for the 12 months ended 31 December 2021

LAGOS, NIGERIA - **31 MAR 2022**: Fidelity Bank (Bloomberg: **FIDELITY:NL** | Reuters: **FIDELIT:LG**) announced its Audited Financial Statements for the 12 months ended 31 December 2021.

Financial Highlights

N 'million	2020FY	2021FY	VAR	% VAR
Gross Earnings	206,204	250,774	44,570	21.6%
Net Interest Income	104,123	94,877	(9,246)	-8.9%
Net Fee Income	23,307	38,585	15,278	65.6%
Net Revenue	127,430	133,463	6,033	4.7%
Operating Expenses	(83,633)	(83,458)	175	-0.2%
Operating Profit	43,797	50,005	6,208	14.2%
Gains/Losses from Fin. Instruments	1,115	(4,904)	(6,019)	-539.8%
Impairment Charges	(16,858)	(7,035)	9,823	-58.3%
Profit before Tax	28,054	38,066	10,012	35.7%
Profit after Tax	26,650	35,579	8,929	33.5%
	2020FY	2021FY	VAR	% VAR
Customer Deposits	1,699,026	2,024,806	325,780	19.2%
Total Equity	273,533	297,769	24,236	8.9%
Net Loans & Advances	1,326,106	1,658,412	332,306	25.1%
Total Assets	2,758,148	3,289,479	531,331	19.3%

Key Ratios

- ❖ Return on Avg. Equity (RoAE): ▲ **12.5%** compared to **10.5%** in 2020FY
- ❖ Net Interest Margin (NIM): ▼ **4.7%** compared to **6.3%** in 2020FY
- ❖ Cost of Risk (CoR): ▼ **0.5%** compared to **1.4%** in 2020FY
- ❖ Cost to Income Ratio (CIR): ▼ **64.9%** compared to **65.1%** in 2020FY
- ❖ Non-performing Loans Ratio (NPL): ▼ **2.9%** compared to **3.8%** in 2020FY
- ❖ Capital Adequacy Ratio (CAR): ▲ **20.1%** compared to **18.2%** in 2020FY



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 in profit and across key balance-sheet lines, which reflects the disciplined execution of our strategy and the capacity to deliver superior returns to shareholders. Profit before tax grew by 35.7% to ₦38.1bn from ₦28.1bn in 2020FY, which translates to an increase in RoAE to 12.5% from 10.5% in 2020FY.

Gross Earnings increased by 21.6% YoY (23.2% QoQ) to ₦250.8bn driven by a combination of 60.3% growth in non-interest revenue (NIR) and 15.2% increase in interest and similar income. The growth in NIR reflects the significant increase in customer transactions resulting in 84.9% growth in trade income, 48.1% in account maintenance charge, and 47.2% increase in digital banking income etc.

Digital Banking gained further traction driven by new initiatives in our retail business and the enhancement of existing digital banking products. We now have 56.0% of our customers enrolled on the mobile/internet banking products and 90.0% of total customer-induced transactions done on digital platforms with digital banking business contributing 27.6% to net fee income.

Net Interest Margin came in at 4.7% from 6.3% in 2020FY, as average funding cost inch up to 4.2% from 3.6% in 2020FY while average yield on government securities remain low. In absolute terms, total interest and similar income increased by ₦26.8bn while total interest expenses increased by ₦36.1bn, leading to ₦9.2bn decline in net interest income.

Total Deposits increased by 19.2% to ₦2,024.8bn from ₦1,699.0bn in 2020FY, in line with our guidance for 2021FY. The increase was driven by double-digit growth across all product lines (Demand | Savings | Tenor). Local currency deposits grew by 16.0% and accounts for 80.3% of total deposits while foreign currency deposits increased by 33.9% and accounts for 19.7% of total deposits from 17.5% in 2020FY.

Net Risk Assets increased by 25.1% to ₦1,658.4bn from ₦1,326.1bn in 2020FY. However, the combination of on-lending facilities and the impact of foreign currency rate change was responsible for 31.7% of the absolute growth in loan book. Non-performing loans (NPL) ratio dropped to 2.9% from 3.8% in 2020FY, which led to a decline in cost of risk to 0.5% from 1.4% in 2020FY.

Other Regulatory Ratios are above the required thresholds with liquidity ratio at 40.4% and capital adequacy ratio (CAR) at 20.1%. We have commenced the rendition of Basel III returns under the parallel implementation guideline (Basel II & III) as required by the CBN. We remain well above the minimum requirement.

We are committed to achieving the long-term strategic objectives of Fidelity Bank while we look forward to sustaining the current performance trend and delivering another strong set of results for the 2022FY.”



ANALYSTS AND INVESTORS CONFERENCE CALL INVITATION

Fidelity Bank Management will hold a conference call on **Thursday, 07 April 2022** at **15.00 hours Lagos | 15:00 London | 10:00 New York | 16.00 Johannesburg** to discuss the 2021 Audited Results. There will be a question and answer session after the presentation of the **2021FY performance** of the Bank by the management team.

To obtain the dial-in details, kindly pre-register for the call [HERE](#).

For further information, please contact:

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About Fidelity Bank Plc

Fidelity Bank Plc is a full-fledged commercial bank with over 6.5 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 300% growth in savings deposits in the last 6 years, 56.0% customer enrollment on its flagship mobile / internet banking products and 90.0% 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 6th 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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