

Guaranty Trust Holding Company Plc

RELEASES AUDITED FULL-YEAR CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2023; DECLARES PBT OF ₦609.3BILLION

Lagos Nigeria – April 08, 2024 – Guaranty Trust Holding Company Plc (“GTCO”), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its Audited Financial Results for the year ended 31 December 2023 and declares a PBT of ₦609.3bn.

Commenting on the results, the Group Chief Executive Officer of Guaranty Trust Holding Company Plc, Mr. Segun Agbaje, said: “The challenging operating environment of 2023 truly tested the business model we put in place for the Holding Company, for both our banking and non-banking business verticals. Harnessing the Group’s synergies yielded a strong performance, allowing us to strengthen our foothold in banking whilst also building viable and resilient businesses of HabariPay, Guaranty Trust Fund Managers, and Guaranty Trust Pension Managers. Also important to our success is our relentless obsession with innovation and offering great customer experiences as demonstrated by the successful redesign and upgrade of our mobile banking application, GTWorld.”

Mr. Agbaje added: “In a landscape characterised by evolving regulatory reforms, global uncertainties, and heightened competition, we have continued to leverage our inherent strengths and capabilities to unlock significant value, creating more opportunities for the businesses and individuals we serve. As we navigate the challenges and opportunities that lie ahead, we are confident that our robust underpinnings and focus on flawless execution will continue to drive sustainable growth across all our operations and deliver long-term value for our stakeholders.”

Financial Highlights

- Earnings
 - **Profit before tax of ₦609.3bn** (31 December 2022 ₦214.2bn) an increase of 184.5%.
 - **Profit after tax** increased by 219.0% **to ₦539.7bn** from ₦169.2bn as of 31 December 2022.
 - Earnings per share of 1,907kobo compared to 595kobo per share as of 31 December 2022.
 - Final dividend of 270kobo per share. In addition to the interim dividend of 50kobo bringing total dividend of FY-2023 to N3.20/share
- Revenue
 - **Interest income of ₦550.8bn** (31 December 2022: ₦325.4bn) up 69.3% on the back of growth in average volume of earning assets and pick-up in yields culminating in 345.3% pick up in interest earned on cash and cash equivalents, 112.4% increase in interest income on fixed income securities and 34.5% increase in interest income on loans and advances.
 - **Non-interest income of ₦635.7bn** comprising of fee and commission income, net trading gains, and other income (31 December 2022: ₦213.8bn) up 197.3%. The Non-interest income growth resulted largely from impact of exchange rate movement arising from Naira devaluation causing 556.9% growth in other income. This growth was complemented by 54.4% increase in fees and commission and 18.1% increase in net trading gains.
 - **Net interest margin of 7.9%** (31 December 2022: 6.7%).
- Balance Sheet
 - **Total assets of N9.691trn** (31 December 2022: ₦6.446trn) up 50.3%
 - **Net loans and advances of ₦2.480trn** (31 December 2022: ₦1.886trn) up 31.5%.
 - **Deposit liabilities of ₦7.547trn** (31 December 2022: ₦4.610trn) up 63.7%.
- Credit Quality
 - **IFRS 9 Stage 3 loans to total loans at 4.2%** (31 December 2022: 5.2%).
 - **Coverage for lifetime credit impaired loans closed at 191.1%** (31 December 2022: 175.5%)
 - **Cost of Risk at 4.5%** (31 December 2022: 0.6%).

- Continued focus on efficiency
 - Cost to income (CIR) closed at 29.1%, from 48.0% for the year ended 31 December 2022.**
- Subsidiaries
 - Contribution to Group PBT from West Africa increased from 12.3% in December 2022 to 17.3% in December 2023. During the same period, the contributions from East Africa decreased to 2.3% from 3.4% while United Kingdom increased from -0.8% to 1.9%. The improved contribution from Banking Entities outside Nigeria led to dip in the contribution from the Nigeria Banking Subsidiary from 84.3% as of December 2022 to 77.6% in December 2023. Also, Non-Banking Subsidiaries contribution decreased to 0.90% from 0.95% during the same period.

December 2023 Financial Analysis and Ratios

Key Financials (N' billion)	FY-2023	FY-2022	Δ%
Interest income	550.8	325.4	69.3%
Non-interest income	635.7	213.8	197.3%
Operating income	954.7	448.0	113.1%
Operating expenses	250.4	197.9	26.5%
Profit before tax	609.3	214.2	184.5%
Profit after tax	539.7	169.2	219.0%
Earnings per share (in Naira)	19.1	6.0	220.5%
	FY-2023	FY-2022	Δ%
Total assets	9,691.3	6,446.5	50.3%
Net loans	2,480.3	1,885.9	31.5%
Deposit liabilities	7,546.9	4,610.3	63.7%

Key Ratios	FY-2023	FY-2022
ROAE (<i>post-tax</i>)	44.8%	18.6%
ROAA (<i>post-tax</i>)	6.7%	2.8%
ROAE (<i>pre-tax</i>)	50.6%	23.6%
ROAA (<i>pre-tax</i>)	7.6%	3.6%
Net interest margin	7.9%	6.7%
Cost-to-income ratio	29.1%	48.0%
	FY-2023	FY-2022
Net loans to deposits	32.9%	40.9%
Liquidity ratio	31.1%	49.9%
Capital adequacy ratio	21.9%	24.1%
NPL/Total loans	4.2%	5.2%
Cost of risk	4.5%	0.6%
Coverage (with Reg. Risk Reserves)	191.1%	175.5%

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Notes to the Editors:

Guaranty Trust Holding Company Plc is a diversified financial services company with ₦9.691trillion in assets, providing commercial banking services and non-banking financial services across eleven countries.

The Group operates as one of the leading Nigerian financial services companies offering a wide range of commercial banking as well as non-banking financial services in Nigeria, West Africa, East Africa, and the United Kingdom. The Group is rated B- by S&P, a reflection of the Group's stability and reputation of being a well-established franchise with strong asset quality and consistent excellent financial performance.

The Group has the following Banking subsidiaries (including sub-subsidiaries) and non-banking subsidiaries within and outside of Nigeria —

- 1) Guaranty Trust Bank (Nigeria) Limited ("GTB Nigeria")
- 2) Guaranty Trust Bank (Gambia) Limited ("GTB Gambia")
- 3) Guaranty Trust Bank (Sierra Leone) Limited ("GTB Sierra Leone")
- 4) Guaranty Trust Bank (Ghana) Limited ("GTB Ghana")
- 5) Guaranty Trust Bank (Liberia) Limited ("GTB Liberia")
- 6) Guaranty Trust Bank (United Kingdom) Limited ("GTB UK")
- 7) Guaranty Trust Bank (Cote D'Ivoire) ("GTB Cote D'Ivoire")
- 8) Guaranty Trust Bank (Kenya) Limited ("GTB Kenya")
- 9) Guaranty Trust Bank (Rwanda) Plc Limited ("GTB Rwanda")
- 10) Guaranty Trust Bank (Uganda) Limited ("GTB Uganda")
- 11) Guaranty Trust Bank (Tanzania) Limited ("GTB Tanzania")
- 12) Habari Pay (Nigeria) Limited
- 13) Guaranty Trust Fund Managers Limited
- 14) Guaranty Trust Pension Managers Limited