



2021 Half Year Investors/Analysts Presentation

Guaranty Trust Holding Company plc | September 2021

Outline

- Macro-economic Review for HY 2021
- Overview of HY 2021
- HY 2021 Performance Review
- Business Segments and Subsidiary Review
- Guidance and Plans for FY 2021



Same Orange
MORE RANGE

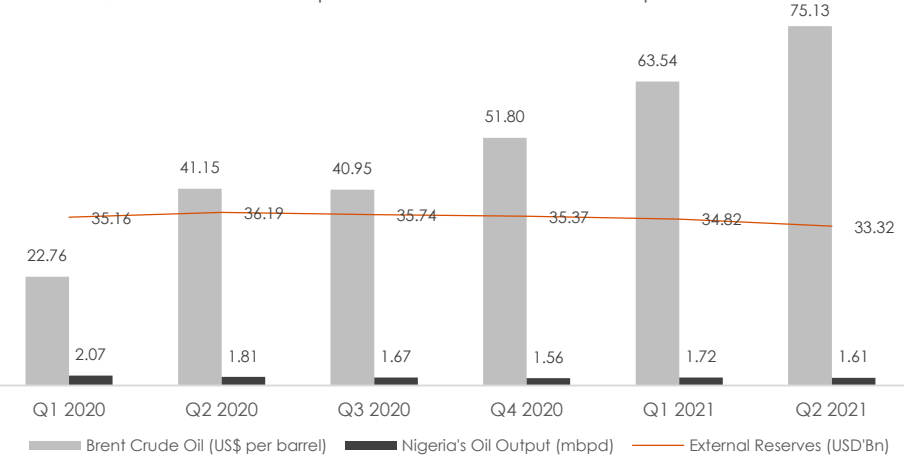
Macro-economic Review for HY 2021



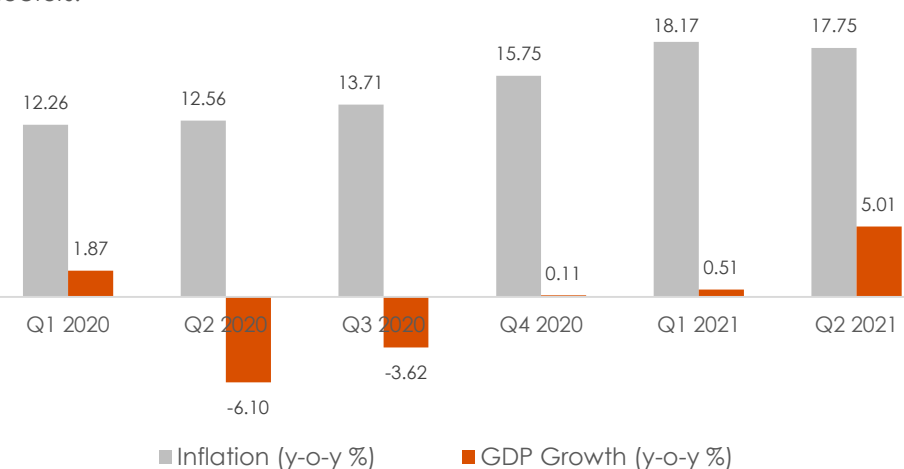
Same Orange
MORE RANGE

Macro-economic Review (HY 2021)

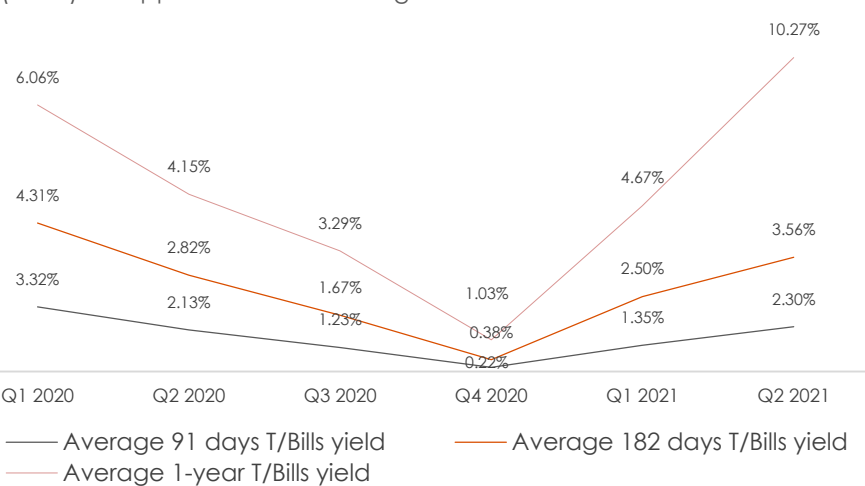
Crude oil prices rose by 83% y-o-y between Q2 2020 and Q2 2021 while oil output declined from 1.72 mbpd in Q1 2021 to 1.61 mbpd in Q2 2021. However, the impressive increase in prices was insufficient to drive reserve accretion as external reserves dipped USD1.9 bn (5.4%) year-to-date to USD34.3 bn as of Sept. 3, 2021 on the back of falling remittances, FX swap maturities, Eurobond redemption and lower crude oil export volumes.



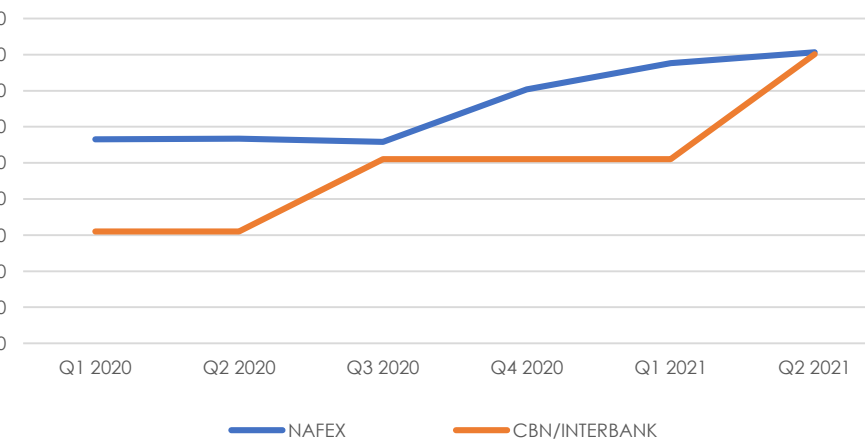
Headline inflation saw a downward trend in Q2 2021, printing at 17.38% y-o-y in July 2021 down from 17.93% in June 2021, driven primarily by high base effect and early harvest season in southern Nigeria. The economy recorded an impressive growth as GDP expanded by 5.01% (y-o-y) in Q2 2021 from 0.51% in Q1 2021 driven by low base effect and robust growth in the non-oil sector on the back of growth in trade, ICT, transportation and agriculture sectors.



Despite the downward trend in 2020, yields rebounded in the first half of 2021 driven by investor aversion to low fixed income yields and an expectation of a higher debt issuance by the Debt Management Office (DMO) to support the federal budget shortfalls.



The adoption of the NAFEX rate by the CBN in May 2021 formalized the use of NAFEX rate as the official exchange rate effectively ending the use of the defunct CBN rate. This convergence coupled with higher oil prices and the planned issuance of Eurobond by the government might provide some level of stability in the Nigerian FX space in the short term.



Overview of HY 2021



Same Orange
MORE RANGE

Overview of 2021

1st QUARTER

- President Buhari signs the 2021 Appropriation Bill and 2020 Finance Bill into law.
- The Central Bank of Nigeria (CBN) directs lending institutions to obtain borrowers' credit report from credit bureaus as part of their due diligence process in granting loans.
- CBN direct banks to open dollar bank accounts automatically for customers to facilitate remittances.
- CBN prohibits deposit money banks (DMB), non-banking institutions and other financial institutions from trading and dealing in cryptocurrency.
- CBN's MPC retains monetary policy rate (MPR) at 11.5% and all other macro-economic indicators.
- CBN extends discounted interest rate for its intervention facilities by 12 months.
- CBN introduces "CBN Naira 4 Dollar" scheme to provide Nigerians in the diaspora with cheaper and more convenient means for remittances to Nigeria.
- CBN and Nigerian Communications Commission (NCC) announce a flat rate fee of N6.98 per transaction for USSD services.

2nd QUARTER

- CBN plans to include sugar and wheat to the list of commodities banned from accessing foreign exchange (FX) from the official market.
- CBN licenses 10 additional International Money Transfer Operators (IMTO).
- CBN removes N379/USD1 rate from its website and makes NAFEX default exchange rate, signalling gradual harmonisation of rates.
- CBN sets new capital requirements of N2 billion for Fintechs.
- CBN sets new standard and regulatory framework for non-bank acquirers.
- DMBs notify customers of the commencement of new flat USSD transaction fee of N6.98 per successful transactions.

3rd QUARTER

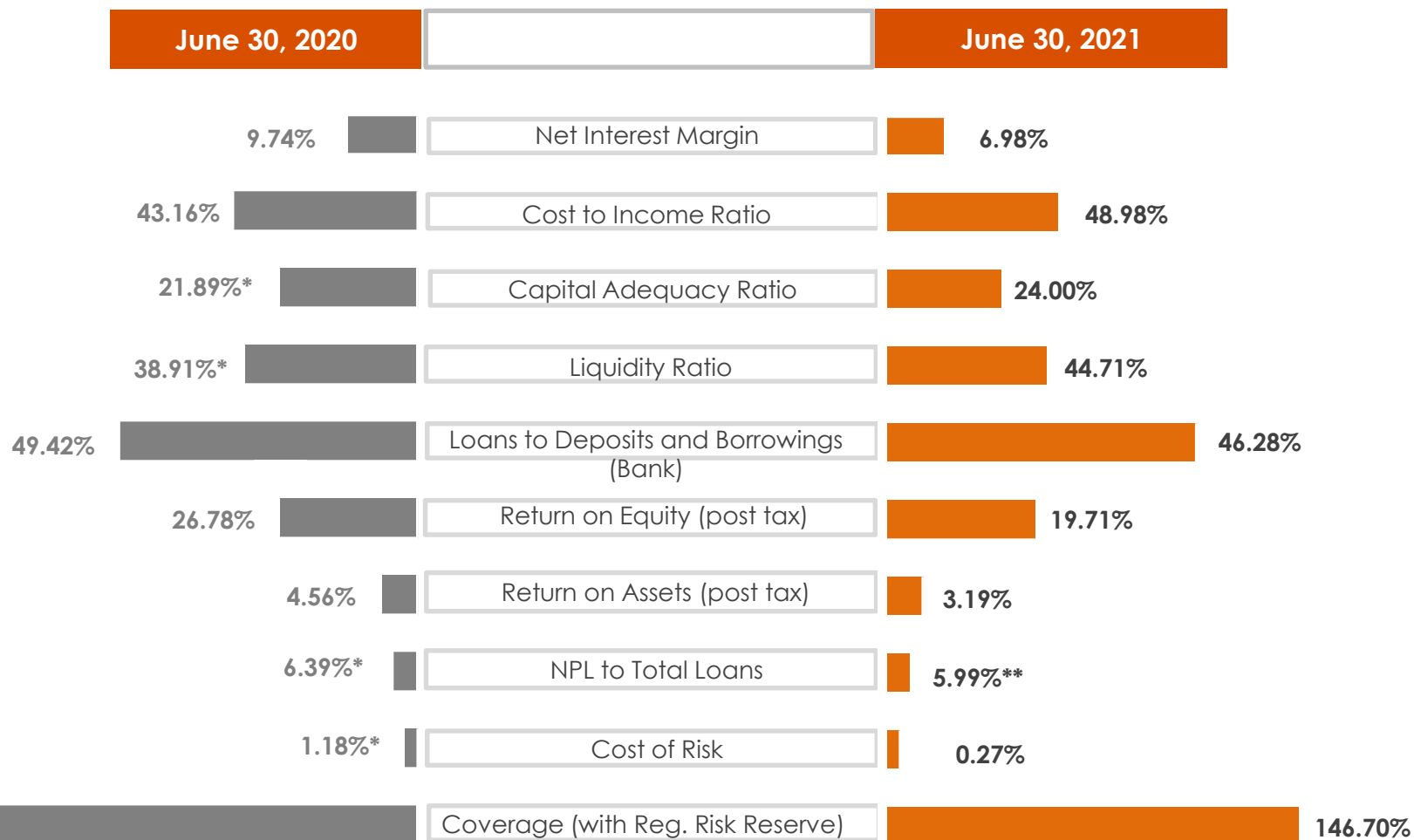
- President Buhari signs N983 billion 2021 Supplementary Appropriation Bill into law.
- Senate approves President Buhari's NGN2.34trn foreign loan request.
- CBN's MPC retains MPR at 11.5% and all other macro-economic indicators.
- CBN halts FX sale and issuance of new licenses to Bureau De Change (BDC) operators, directs DMBs to sell FX to customers.
- CBN warns micro-finance banks (MFBs) against wholesale and FX transactions.
- President Buhari signs the Petroleum Industry Bill (PIB) into law, weeks after the Senate approved it.
- CBN directs DMBs to publish the names and BVN of customers who engage in fraudulent FX practices.
- CBN appoints Bitts Inc. as technical Partner for its proposed digital currency project; e-naira, set to be launched in October 2021.

HY 2021 Financial Performance Review



Same Orange
MORE RANGE

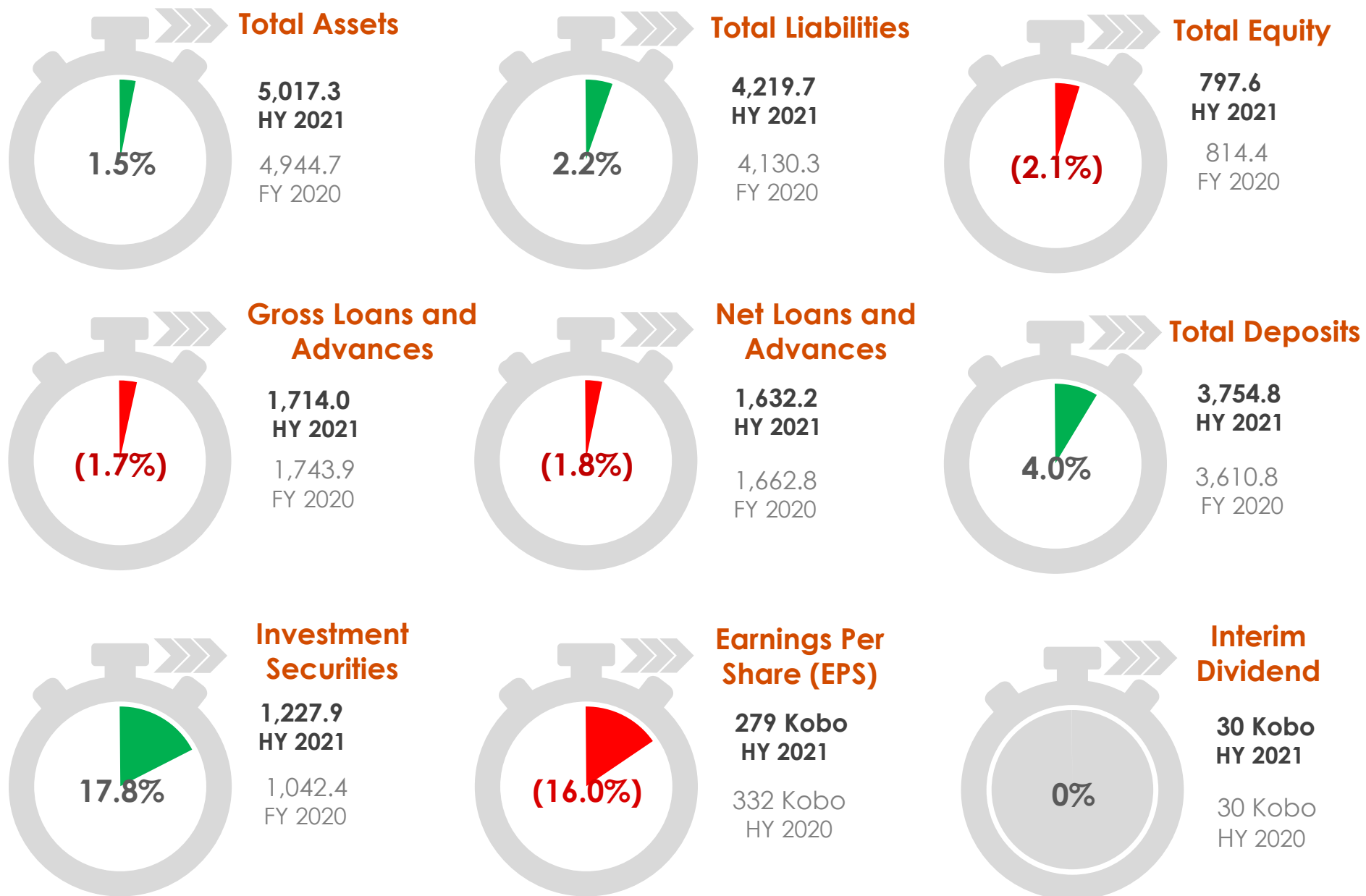
Key Performance Ratios



* FY 2020

** NPL relates to IFRS 9 stage 3 classification

Group Balance Sheet Snapshot (₦ 'Billions)



Balance Sheet (Group)

	Group	Group	
In thousands of Nigerian Naira	Jun-21	Dec-20	% y-t-d change
Assets			
Cash and bank balances	794,323,951	745,557,370	7%
Financial assets held at fair value through profit or loss	76,244,179	67,535,363	13%
Derivative financial assets	35,389,350	26,448,550	34%
Investment securities:	1,227,935,571	1,042,428,640	18%
– Fair Value through profit or loss	3,273,771	3,273,771	0%
– Fair Value through other comprehensive income	290,067,066	693,371,711	-58%
– Held at amortised cost	865,137,145	283,582,832	205%
Assets pledged as collateral	69,457,589	62,200,326	12%
Loans and advances to banks	89,241	99,043	-10%
Loans and advances to customers	1,632,088,961	1,662,731,699	-2%
Restricted deposits & other assets	1,067,576,885	1,226,481,116	-13%
Property and equipment	153,501,362	148,782,835	3%
Intangible assets	19,515,587	19,872,523	-2%
Deferred tax assets	10,616,550	4,716,154	125%
Total assets	5,017,281,637	4,944,653,293	1%

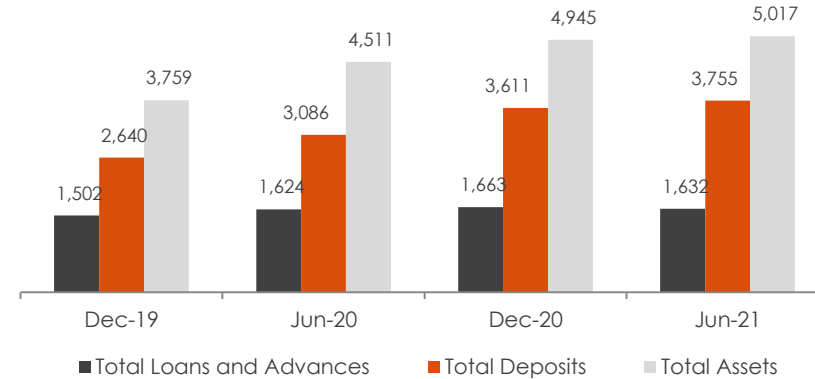
	Group	Group	
In thousands of Nigerian Naira	Jun-21	Dec-20	% y-t-d change
Liabilities			
Deposits from banks	129,535,081	101,509,550	28%
Deposits from customers	3,625,217,843	3,509,319,237	3%
Financial liabilities at fair value through profit or loss	3,086,939	-	-
Derivative financial liabilities	2,292,109	2,758,698	-17%
Other liabilities	328,338,050	356,222,575	-8%
Current income tax liabilities	13,759,868	21,592,016	-36%
Other borrowed funds	110,469,179	113,894,768	-3%
Deferred tax liabilities	7,000,105	24,960,772	-72%
Total liabilities	4,219,699,174	4,130,257,616	2%
Equity			
Share capital	14,715,590	14,715,590	0%
Share premium	123,471,114	123,471,114	0%
Treasury shares	(7,537,348)	(6,928,103)	9%
Retained earnings	163,870,625	193,921,810	-15%
Other components of equity	485,692,081	473,434,457	3%
Total equity attributable to owners of the Parent	780,212,062	798,614,868	-2%
Non-controlling interests in equity	17,370,401	15,780,809	10%
Total equity	797,582,463	814,395,677	-2%
Total equity and liabilities	5,017,281,637	4,944,653,293	1%

Balance Sheet Composition

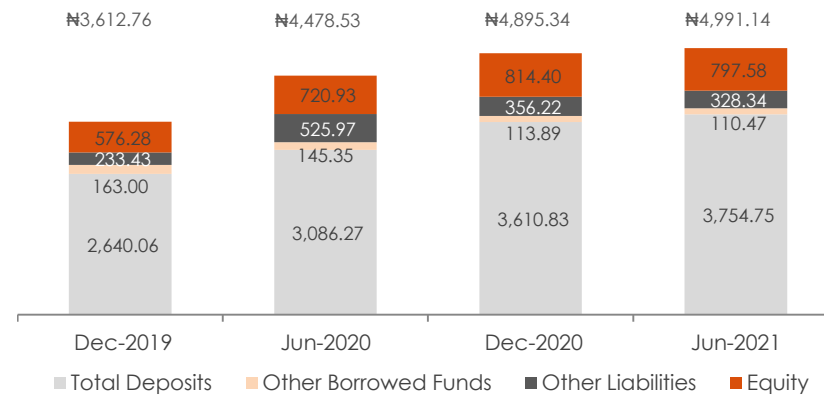
Balance Sheet Management

- The Group Balance sheet remained well-structured and diversified with Total Assets closing at ₦5.02trn as at H1-2021, representing a 1.6% growth from ₦4.94trn in FY 2020.
- Earning Assets position improved to ₦3,085.5bn in H1-2021 from ₦2,938.7bn in FY 2020, constituting 61.4% of Total Asset, a 200bps improvement from the 59.4% in FY-2020. In terms of diversification, Loans and Advances, Fixed Income Securities and Money Market placements accounted for 32%, 26% and 5% of Total Assets respectively.
- The Earning Assets improvement did not impact Interest Income materially as it was driven by ₦178.2bn growth in Investment Securities at the back of increase in the CBN's Special Bills holdings priced at 0.5%.
- Special Bills closed at ₦561.1bn representing 61% of the Group's Investment Securities portfolio in H1-2021, though It continued to improve the liquidity position of the Group (44.7% in H1-2021 vs 38.91% in FY-2020), the cost of funds of the underlying deposits however, outweighs the yield offering on this instrument.
- The Group's Net Loan and Advances dipped by ₦30.7bn (1.84%) from ₦1,662.8bn in FY 2020 to ₦1,632.2bn in H1-2021 due to decrease in FCY loan portfolio as a result of scheduled repayments from obligors in the Oil & Gas and Manufacturing sectors and the decision by management to de-risk the FCY component of its loan book in view of the difficulty experienced by one key Obligor in meeting its repayment obligation.
- Consequently, the currency mix of the loan book (LCY to FCY) changed to 47%:53% in H1-2021 from 45%:55% in FY 2020.
- The Restricted Deposits and Other Assets declined by 13% (₦161.38bn) as CBN released portion of sterilized CRR by way of issuance of Special Bills in H1-2021 resulting in effective CRR of 36.04% from 44.33% in FY-2020 (with Special Bills, CRR closed at 59.7%).
- Total Asset was supported by a well-diversified funding base. Customer deposits, equity and customers' escrow balances accounted for 75.2%, 16% and 8.8% of the funding base respectively. Customer deposit liabilities grew by 3.3% (₦115.9bn) from ₦3.51trn in FY-2020 to ₦3.63trn in H1-2021. The Deposit growth is reflective of the Group's retail strategy, the key enabler in the face of the challenging operating environment, increased competition from Fintech's and customers preference for Treasury Bills, which offered a higher interest rate. Tenored deposits increased marginally leading to change in low-cost deposit mix to 87.9% in H1-2021 from 90.5% in FY-2020.
- Despite the challenges presented by the operating environment in H1-2021, the Group was able to navigate efficiently, deploying appropriate strategies to deliver a Post-tax Return on Average Assets of 3.33% and Post-tax Return on Average Equity of 19.56%. The Group delivered a Post-tax ROAE of 19.71%, Post-Tax ROAA of 3.19% and NIM of 6.98%.

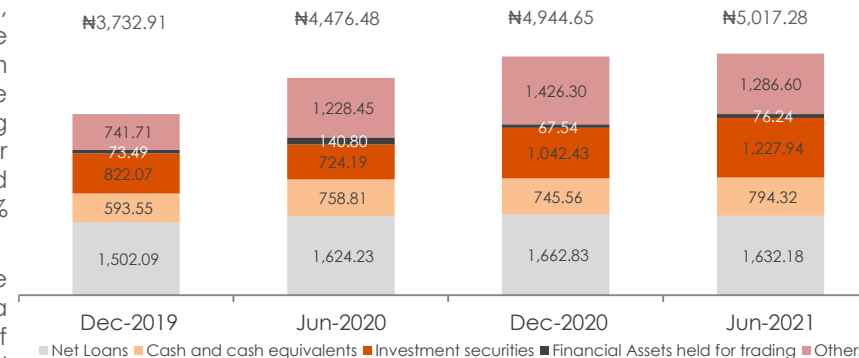
Loans, Deposits & Total Assets (₦'Bn)



Funding Mix (₦'Bn)

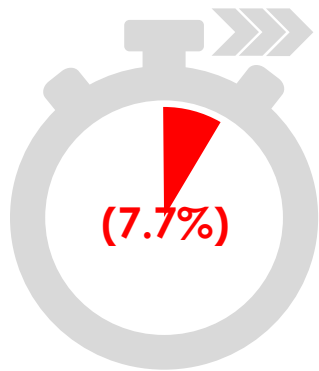


Components of Asset Base (₦'Bn)

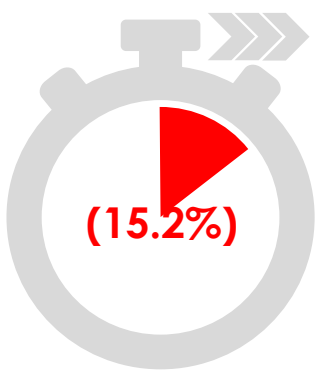


* Others include Investment properties, Property & Equipment, Intangible Assets, Deferred tax Assets, Restricted Deposits and Other Assets

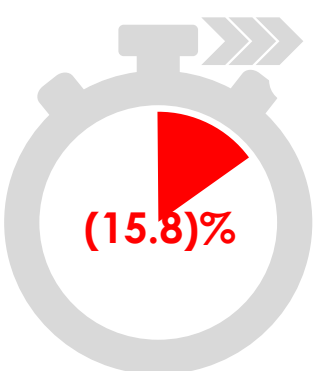
Group Income Statement Snapshot (₱ 'Billions)



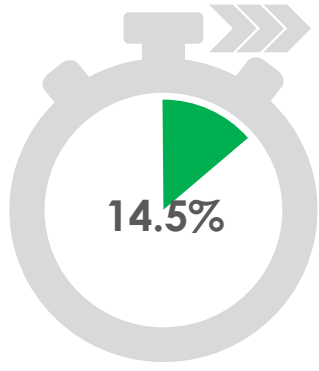
Gross Earnings
207.9
 HY 2021
 225.1
 HY 2020



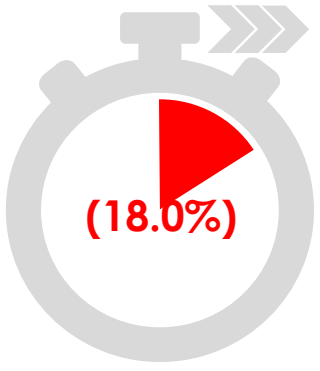
Profit Before Tax
93.1
 HY 2021
 109.7
 HY 2020



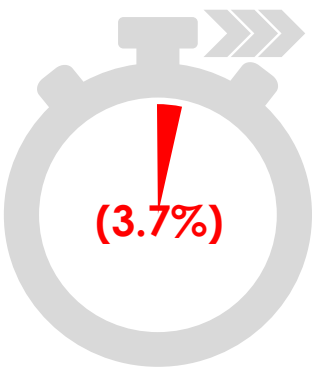
Profit After Tax
79.4
 HY 2021
 94.3
 HY 2020



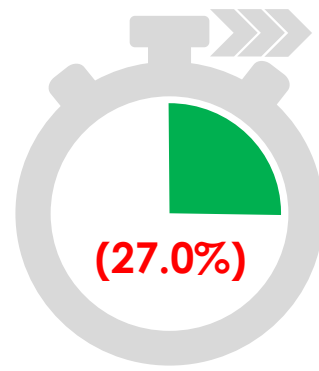
Non-Interest Income
81.8
 HY 2021
 71.4
 HY 2020



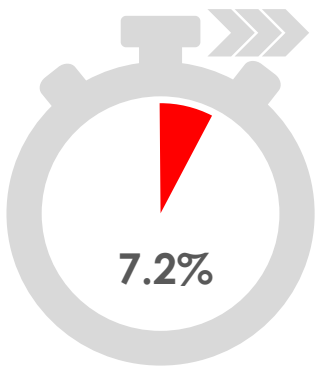
Interest Income
126.1
 HY 2021
 153.7
 HY 2020



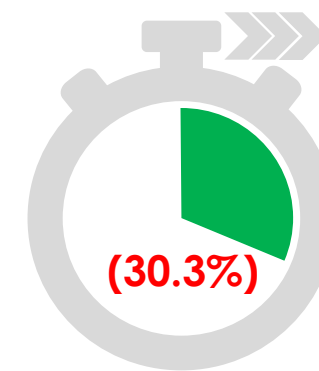
Operating Income
182.7
 HY 2021
 189.8
 HY 2020



Interest Expense
19.0
 HY 2021
 26.1
 HY 2020



Operating Expense
89.3
 HY 2021
 83.3
 HY 2020



Loan Impairment
4.7
 HY 2021
 6.8
 HY 2020

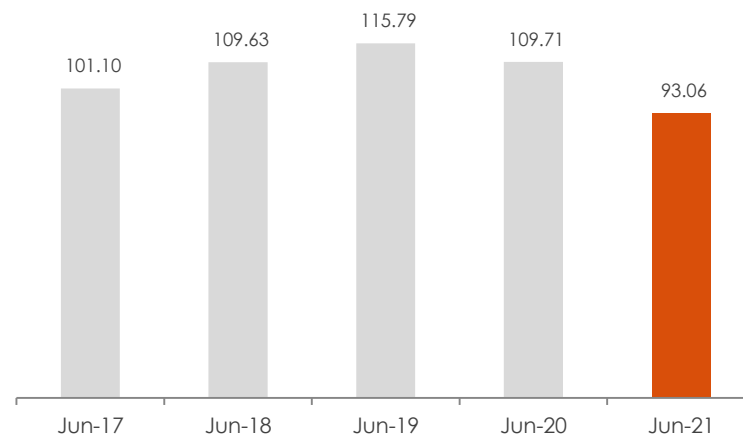
Income Statement - Group

	Group	Group	
In thousands of Nigerian Naira	Jun-21	Jun-20	% Change
Interest income calculated using effective interest rate	116,864,807	150,486,443	-22%
Interest income on financial assets at fair value through Profit or loss	9,226,294	3,222,038	186%
Interest expense	(19,035,826)	(26,093,017)	-27%
Net interest income	107,055,275	127,615,464	-16%
Loan impairment charges	(4,714,675)	(6,769,093)	-30%
Net interest income after loan impairment charges	102,340,600	120,846,371	-15%
Fee and commission income	38,284,192	26,457,209	45%
Fee and commission expense	(1,428,928)	(2,435,031)	-41%
Net fee and commission income	36,855,264	24,022,178	53%
Net gains on financial instruments classified as held for trading	10,430,087	10,791,307	-3%
Other income	33,109,025	34,181,820	-3%
Net impairment reversal/(loss) on financial assets	(341,707)	3,180,078	-111%
Personnel expenses	(17,234,789)	(17,449,311)	-1%
Right-of-use asset amortisation	(2,430,876)	(958,621)	154%
Depreciation and amortization	(15,330,912)	(14,024,670)	9%
Other operating expenses	(54,340,633)	(50,875,308)	7%
Profit before income tax	93,056,059	109,713,844	-15%
Income tax expense	(13,641,336)	(15,442,834)	-12%
Profit for the year	79,414,723	94,271,010	-16%

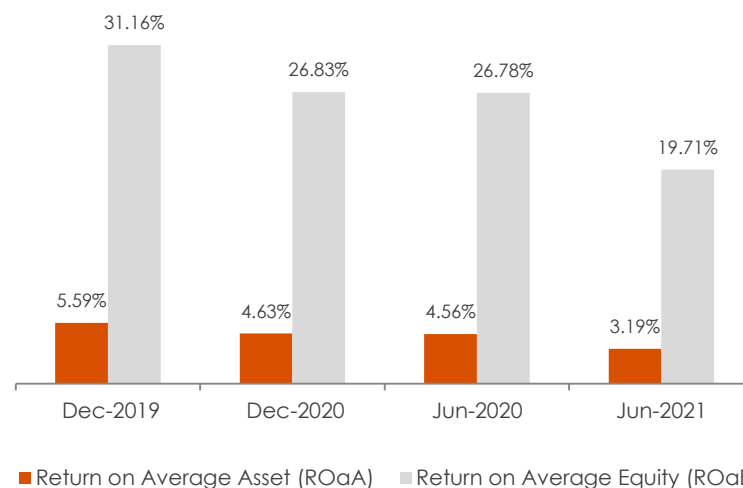
PBT Trend

- Gross Earnings declined by 8% from ₹225.1bn in H1-2020 to ₹207.9bn in H1-2021 primarily from 18.0% reduction in Interest Income from ₹153.7bn to ₹126.1bn and Other Income (₹33.1bn vs ₹34.2bn), which offsets growth recorded on the Fees and Commissions line (₹38.3bn vs ₹26.5bn) during the period.
- Reduction in funded income resulted from dip in average yield on earnings assets in H1-2021 to 8.1% from 11.9% in H1-2020 despite growth in the average volumes to ₹2.35tn in H1-2021 from ₹2.14tn in H1-2020. Portfolio yield on Investment Securities (FIS) dropping to 4.1% in H1-2021 from 14.2% in H1-2020.
- This was further compounded by decline in yield on LCY loans from 13.4% in H1 2020 to 11.4% in H1 2021. The yield drop can be linked to a drop in interest rate on Intervention Loans from 9% to 5% as directed by the apex bank and the repricing of investment grade loans done to ward off competition and retain large corporates that has capacity to tap money market and issue their own CPs in view of the low interest rate environment.
- In response to the declining yields on loans and FIS, the Group reduced its Cost of Funds to 0.7% in H1-2021 from 1.5% in H1-2020 as interest expense decreased by 46% (₹9.5bn) to ₹10.9bn in H1-21 from ₹20.3bn in H1-20.
- Consequently, Net interest Margin (NIM) dropped to 6.98% in H1-2021 from 9.74% in H1-2020 as the Group compensated for the drop in NIM by increasing its volume of transactions leveraging on its retail base. The volume expansion resulted in higher earnings from Fees and Commission which grew 45% from ₹26.5bn in H1-2020 to ₹38.3bn in H1-2021.
- Dealing room efficiency resulted in Net Trading Gains of ₹10.4bn (vs ₹10.8bn in H1-2020), the slight decrease was due to a reduction in trading volumes.
- Current Account Maintenance Charge (CAMF) increased from ₹4.6bn to ₹6.8bn based on growth in turnover volumes from ₹7.8tn in H1-2020 to ₹11.5tn while e-business related income grew by 63% during the period.
- Loan Impairment charge decreased by ₹2.4bn (53%) from ₹4.5bn in H1-2020 to ₹2.1bn in H1-2021 following an improved outlook for the macro-economic variables used in the ECL model in H1-2021 compared with the gloomy outlook fueled by the pandemic in H1-2020. As a result of the lower impairment numbers, the Group's Cost of Risk (COR) improved to 0.27% in H1-2021 from 1.18% in FY-2020.
- Operating Expense worsened marginally by 7.2% in H1-2020 with Cost to Income ratio settling at 48.9% principally from increase in regulatory cost as the Group continued to remain cost efficient without hurting its business and future performance.
- Subsidiaries' contribution to the Group's PBT improved from 17.1% in H1-2020 to 25.5% in H1 2021.
- Overall, the Group closed the H1 2021 financial year delivering a PBT of ₹93.1bn. As the Group restructures to a Financial Holding Company, it is expected that the revenue base will be further strengthened and result in improved performance across all key profitability metrics.

PBT (₹'bn)



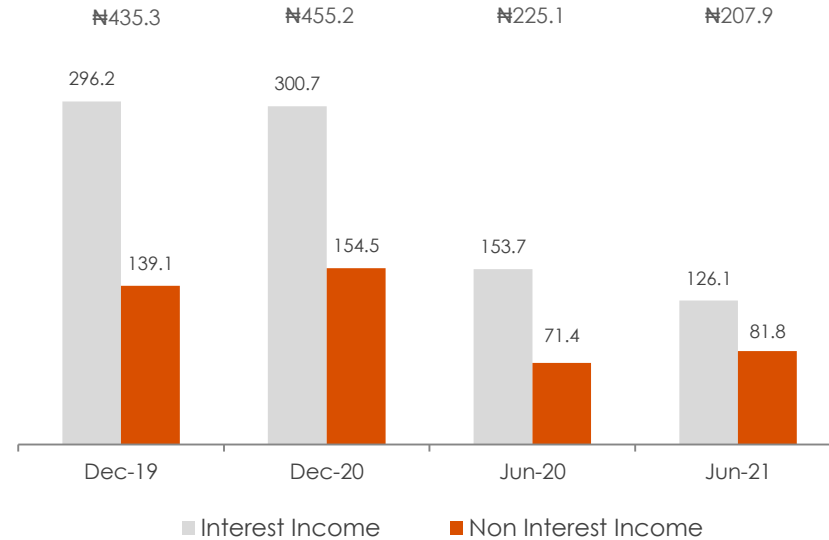
Return on Average Assets and Equity



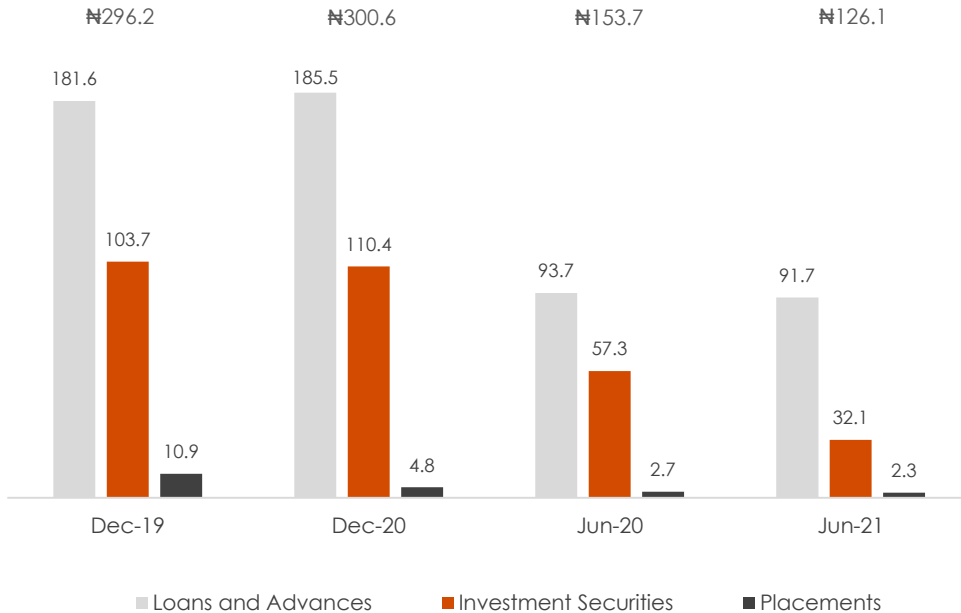
Revenue Generation

- Gross Earnings dipped by 8% from ₦225.1bn in H1-2020 to ₦207.9bn in H1-2021 due to interplay of 18% decline in Interest Income from ₦153.7bn to ₦126.1bn and partially offset by 14.5% increase in Non-Funded Income from ₦71.4bn to ₦81.8bn during the period under review.
- On the back of the combination of declining Interest Income and higher Fees and Commissions, the contribution of Non-Funded Income to Gross Earnings increased to 39% in H1-2021 from 32% in H1-2020.
- Funded Income as a percentage of Gross Earnings declined to 61% in HY 2021 compared to 68% recorded in HY 2020.
- Non-Interest Income was boosted by improved transactional volumes and turnover stemming from re-opening of the economy, post Covid-19 induced lockdown. These actions were positive as e-business income and account maintenance charges improved by ₦3.9bn and ₦2.3bn respectively.
- In the same vein, Credit Related Fees and Income from financial guarantees i.e. LC commissions, BC commissions and commissions on accepted guarantees witnessed growth during the period.
- Credit Related Fees grew by 37% from ₦1.7bn in H1-20 to ₦2.3bn in H1-21 as average volume of loans increased from ₦1.593Trn in H1-2020 to ₦1.723Trn in H1-2021, however, the growth was curtailed by the CBN's revised guide to bank charges that restricts management fees to a maximum of 1% (one-off) on newly booked facilities.

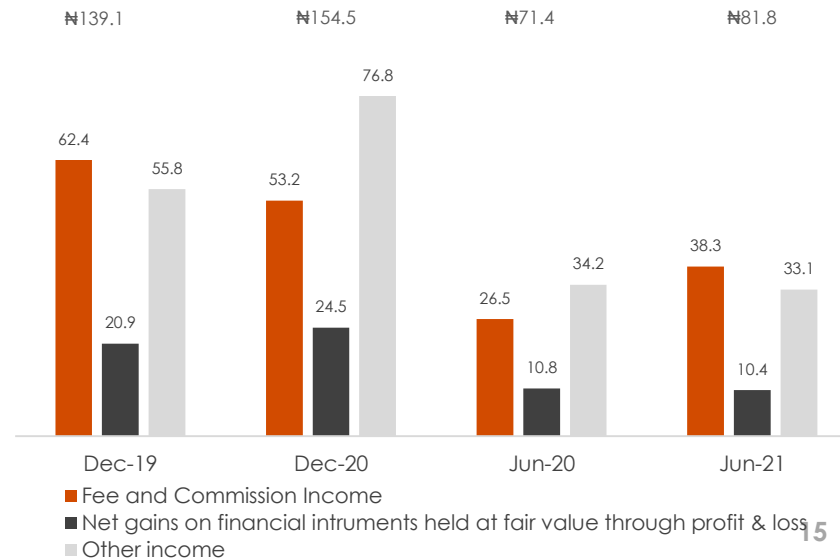
Revenue Mix (₦'Bn)



Interest Income (₦'Bn)



Non-Interest Income (₦'Bn)

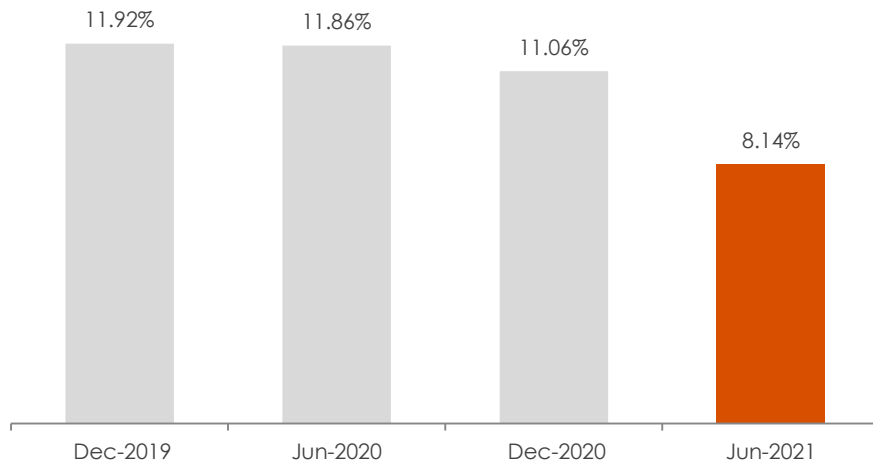


Margin Metrics

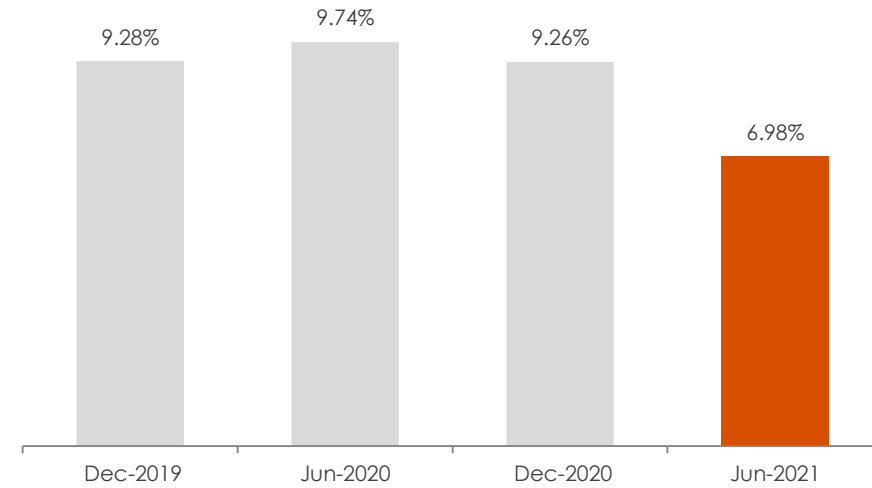
Sustained Competitive Margins

- NIM under pressure at 6.98% in H1 2021 as against 9.26% as of FY 2020 due to declining asset yields.
- The 52bps improvement in Cost of Funds (CoF) was inadequate to offset the 292 bps decrease in asset yields.
- The Group benefitted from its low cost deposit mix of 87% to navigate the low Interest rate environment and actions of competition which weighed negatively resulting in compression of asset yield from 11.06% in FY 2020 to 8.14% in H1 2021.
- The Group's well diversified funding base, optimal low-cost deposit mix and brand equity drove the 52 bps improvement in (CoF) from 1.51% in HY 2020 to 0.67% in HY 2021.
- The Group will continue to seek alternative yield optimization opportunities by taking advantage of its transitioning into a full-fledged financial holding company.

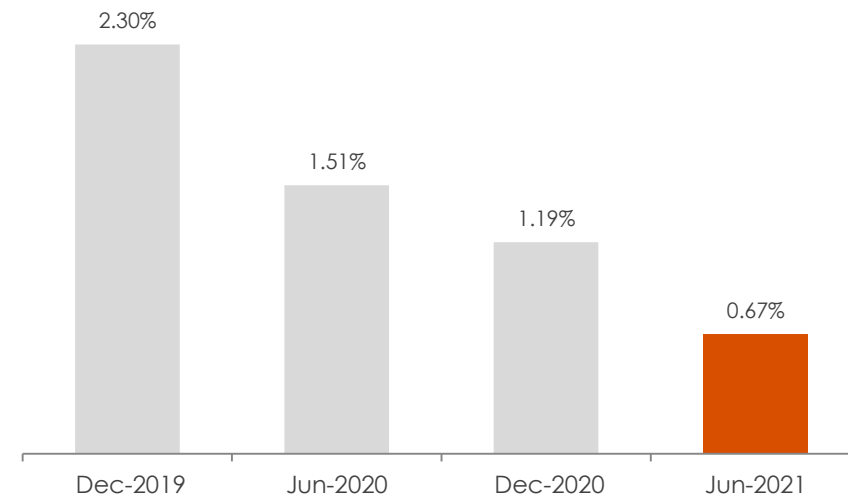
Yields on Interest Earning Assets



Net Interest Margin



Cost of Funds

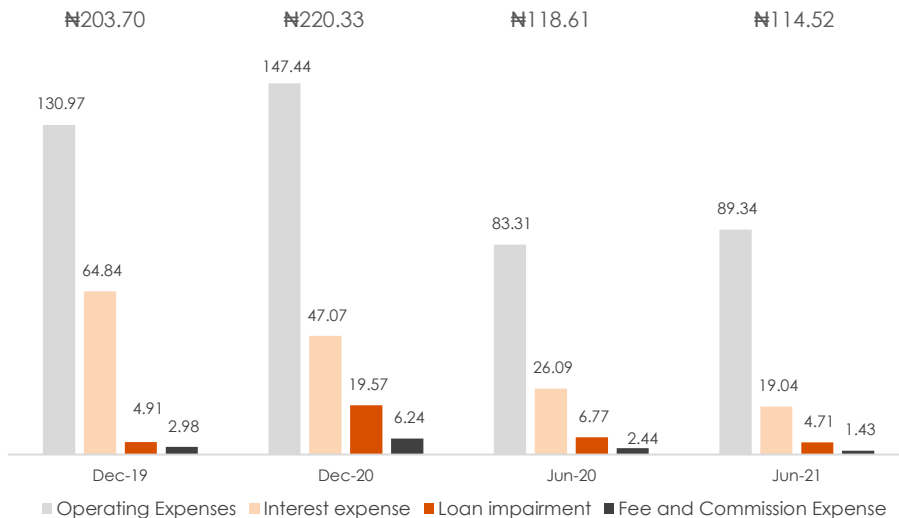


Cost Efficiency

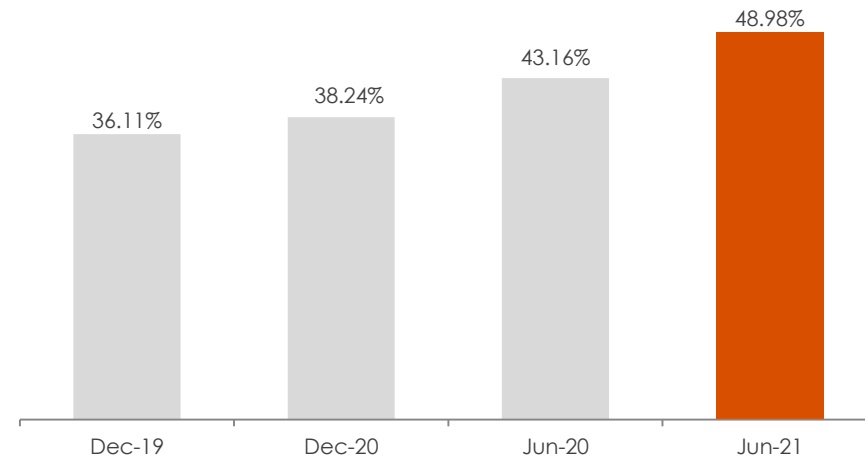
Efficient Cost Management

- OPEX grew by 7.2% from ₦83.3bn in H1-2020 to ₦89.3bn in H1-2021 due to the impact of rising headline inflation and marginal Naira/US Dollar rate movement in the official market which resulted in the increase in general prices of goods and services.
- The recorded increase in OPEX by 7.2% was below headline inflation which closed the first half of the year at 17.75% in June 2021.
- Operating cost was largely impacted by 27.3% growth in AMCON expenses and 9.3% increase in Depreciation Expenses.
- 27% savings on Interest Expense primarily driven by changes to interest rate paid on savings account deposits which is indexed to Monetary Policy Rate (MPR). CBN changed MPR from 12.5% to 11.5% and interest rate paid on savings deposit from 30% to 10% of MPR in September 2020. The Group benefitted from this change in H1-2021.
- Continued utilization of the Group's dollar liquidity enabled seamless repayment of maturing FCY borrowings thereby helping to reduce pressure from OPEX growth and sustain Cost of Funds (CoF) at 0.67% (FY 2020: 1.19%).
- Overall Cost to Income Ratio closed at 48.98% as at HY-2021 from 43.16% in HY-2020 which is above the 35% guidance. The Group remains committed to effectively managing cost despite inflationary pressures so as to remain within the FY 2021 guidance.

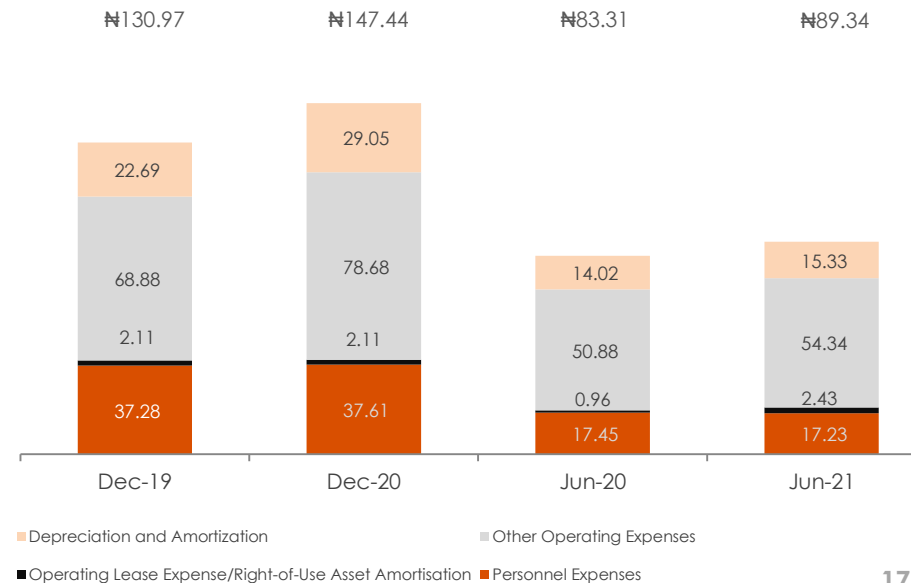
Overview of Expenses (₦'Bn)



Cost to Income (CIR)



Operating Expenses (OPEX) (₦'Bn)



OPEX Drivers

	Group	Group		
In billions of Naira	June 2021	June 2020	Change (Y-o-Y)	% Change (Y-o-Y)
Depreciation and Amortization	15.3	14.0	1.3	9.3%
AMCON Expenses	21.9	17.2	4.7	27.3%
Occupancy Costs and Repairs & Maintenance	4.3	4.9	(0.6)	(11.7%)
Deposit Insurance Premium	5.9	8.3	(2.4)	(28.4%)
Administrative Expenses	5.4	3.6	1.9	52.6%
Technology Communications Expenses	1.3	2.5	(1.2)	(48.4%)
Advert, Promotion and Corporate Gifts	1.7	3.3	(1.6)	(49.3%)
Personnel Expense	17.2	17.5	0.2	(1.2%)

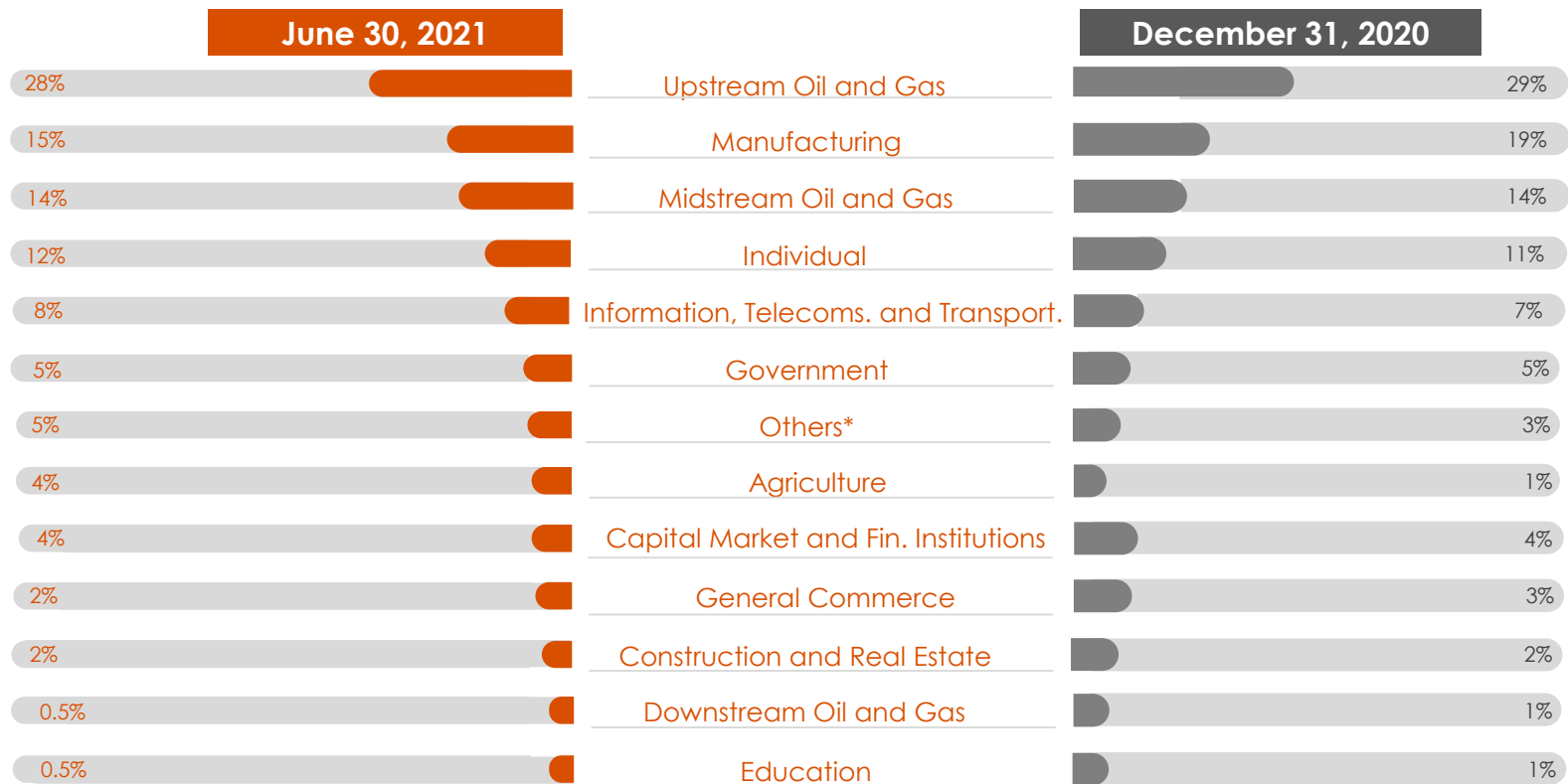
OPEX Drivers

- The Group recorded a 7.2% growth in Operating Expenses from ₦83.3 bn in HY 2020 to ₦89.3 bn in HY 2021.
- The growth was primarily driven by the following:
 - a. Depreciation and amortization which grew by 9.3% as a result of incremental charge on capital spend on expanding IT infrastructure in Q4 2020 as well as capitalization of amount spent on Furniture & Equipment, Computer Hardware and Software procured for branches in prior year.
 - b. Increase in Regulatory Charges – AMCON Levy and Deposit and Other Insurance Premium. AMCON levy increased by 27.3% due to the growth in Total Asset and Contingents to ₦4.37Trn in FY 2020 from ₦3.44Trn in FY 2019 (AMCON levy is computed as 0.5% on preceding year's Total Asset and Contingents).
 - c. 52.6% growth in Administrative expenses was due to the impact of rising inflation, increased cost of moving cash from surplus locations to deficit locations as branches closed as a result of Covid-19 largely in the first quarter of 2021, the translation of Subsidiaries balances to Naira on the weaker Naira to US\$ conversion.
 - d. The Group however made savings on other expense lines (Diesel, Petrol, Electricity etc.) on the back of partial opening of our branches to customers and remote workstations set up for employees during the covid- induced lockdown as customers are pushed and served from our various alternative channels.

Risk Asset Mix

- Well diversified Loan book with specific focus on quality risk assets across all our select business segments.
- Reduced exposure to the manufacturing sector was largely driven by scheduled paydowns and the slow recovery from significant disruptions caused by the impact of the Covid 19 Pandemic on businesses in this Sector.
- Proportional mix of Oil & Gas to the entire portfolio also reduced due to conscious effort at reducing the concentration risk within this Sector.
- 93% of the exposures in the Oil & Gas sector are USD Denominated
- The total restructured loans stood at ₹251.95billion constituting 17.9% of the gross loan portfolio. 80.2% of the restructured loans relates to two (2) Obligor.

Gross Loans by Industry

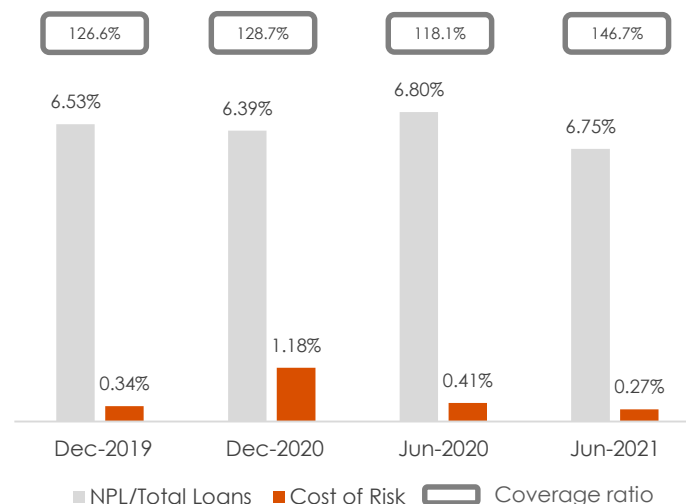


* Includes Fashion & Design, Religious Organizations, Hospitality, Clubs, co-operative societies, Unions, Engineering services etc.

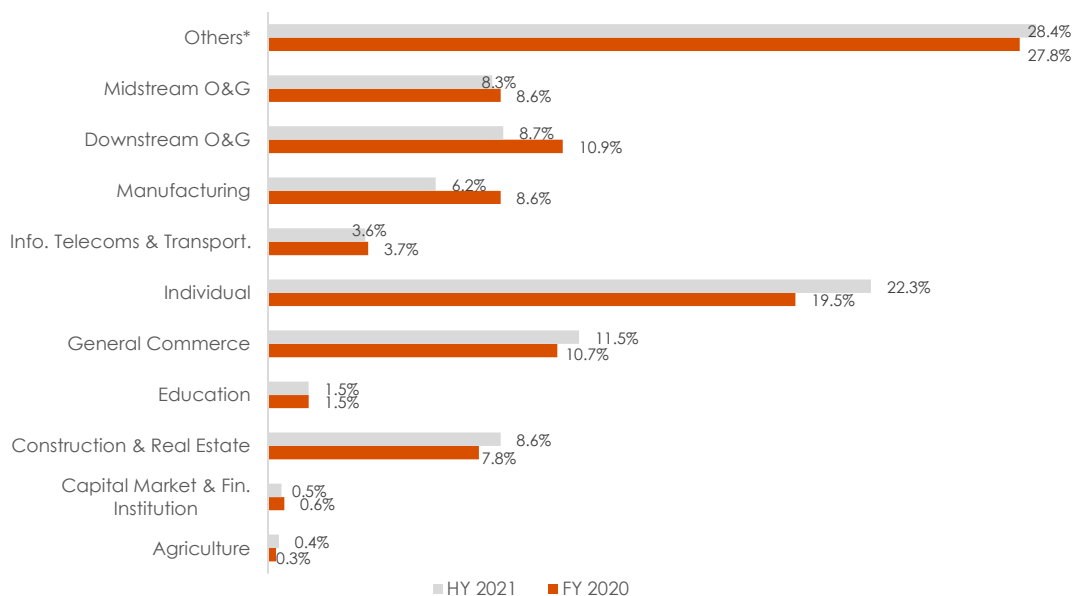
Asset Quality

- The Group improved its asset quality with NPL (IFRS 9 Stage 3 loans) closing at 5.99% in H1 2021 from 6.39% in FY 2020.
- The marginal increase in prudential NPLs from 6.39% to 6.75% resulted from stress noted with certain exposures within the Hospitality, Individuals, Clubs, Co-operative Societies and Union as these group of Obligors were severely impacted by Covid 19.
- Downstream sector benefitted from the ₱7.2billion write-off in H1-2021 as its NPLs improved to 8.7% in H1- 2021 from 10.9% in FY 2020.
- IFRS 9 Stage 3 loans closed at ₱102.7bn as at H1-2021 improved by 7.8% from ₱111.5bn in FY 2020. Balance sheet Impairment for Stage 3/Lifetime Credit Impaired exposures closed at ₱55.3bn representing 53.8% coverage of loans in this classification.
- In aggregate terms (including Regulatory Risk Reserves of ₱68.6bn), the Group has adequate coverage of 146.7% for its Stage 3 names NPLs, this position is consistent with the Group's maintenance of 100% coverage for its NPLs.

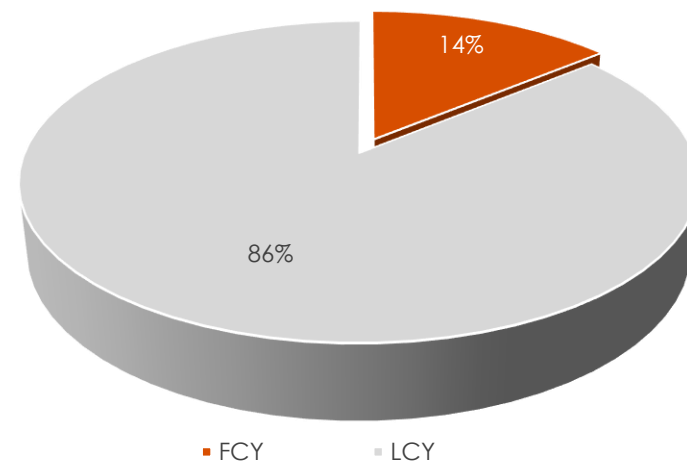
NPL and Coverage



NPL by Industry



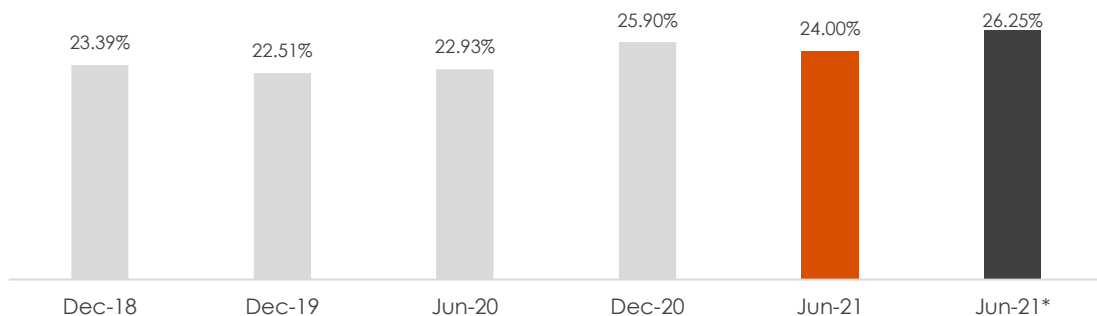
NPL by Currency



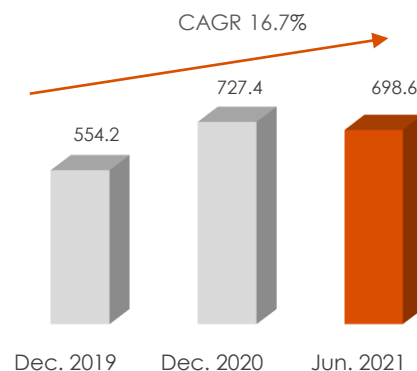
* Includes Engineering services, Fashion & Design, Religious Organizations, Hospitality, Clubs, co-operative societies, Unions etc.

Strong Capital Ratios – Group and Parent

- The Group continued to maintain strong capital positions with Full and Transitional IFRS 9 impact Capital Adequacy Ratio (CAR) of 24.0% and 26.3% respectively, 900bps above the regulatory minimum of 15%.
- Tier 1 capital remained a very significant component of the Group's CAR standing at 23.7% representing 99% of the Group's Full IFRS 9 impact CAR of 24.0%.
- The robust capital position provides headroom for the Group to meet future expansion and capacity for additional risk taking.



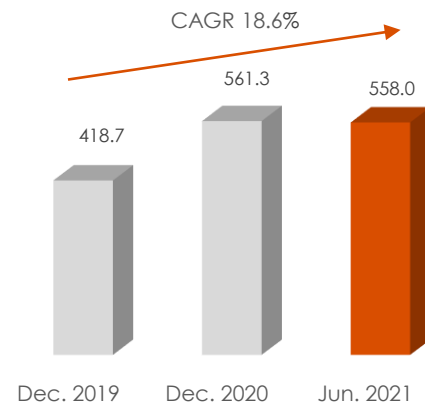
Regulatory Capital (Group) - Tier 1 & 2 (₹'Bn)



Capital Adequacy Computation (Basel II)

In Millions of Naira	Group			
	Transitional IFRS 9 Impact		Full IFRS 9 Impact	
	Jun. 21	Dec. 20	Jun. 21	Dec. 20
Net Tier 1 Capital	772,910	785,197	690,142	702,429
Net Tier 2 Capital	8,480	24,950	8,480	24,950
Total Regulatory Capital	781,390	810,147	698,622	727,379
Risk Weighted Assets for:				
Credit Risk	2,354,255	2,272,857	2,288,764	2,207,366
Operational Risk	612,312	589,712	612,312	589,712
Market Risk	9,863	10,998	9,863	10,998
Aggregate Risk Weighted Assets	2,976,430	2,873,567	2,910,939	2,808,076
Capital Adequacy Ratio:				
Tier 1 Risk Weighted	25.97%	27.32%	23.71%	25.01%
Tier 2 Risk Weighted	0.28%	0.87%	0.29%	0.89%
Total Risk Weighted Capital Ratio	26.25%	28.19%	24.00%	25.90%

Regulatory Capital (Parent) - Tier 1 & 2 (₹'Bn)



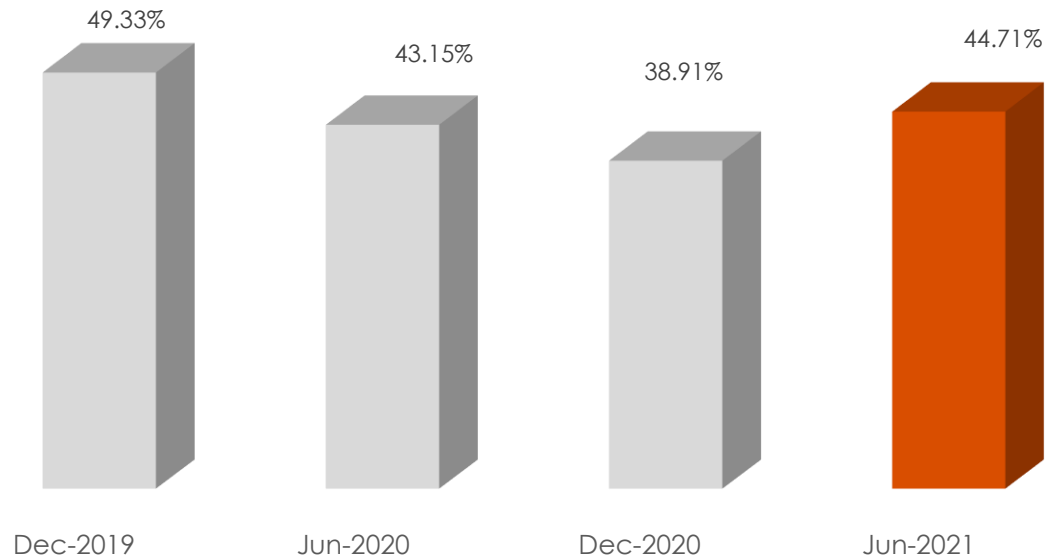
* Transitional Arrangement CAR (non-adoption of full Day 1 IFRS 9 Impact)

Liquidity Ratio

Strong Liquidity Position

- Liquidity ratio closed at 44.71% in HY 2021 (FY 2020: 38.91%) well above regulatory minimum of 30%.
- Despite the pressure from COVID-19 pandemic and regulatory debits, the Group maintained average liquidity ratio of 40.71%.

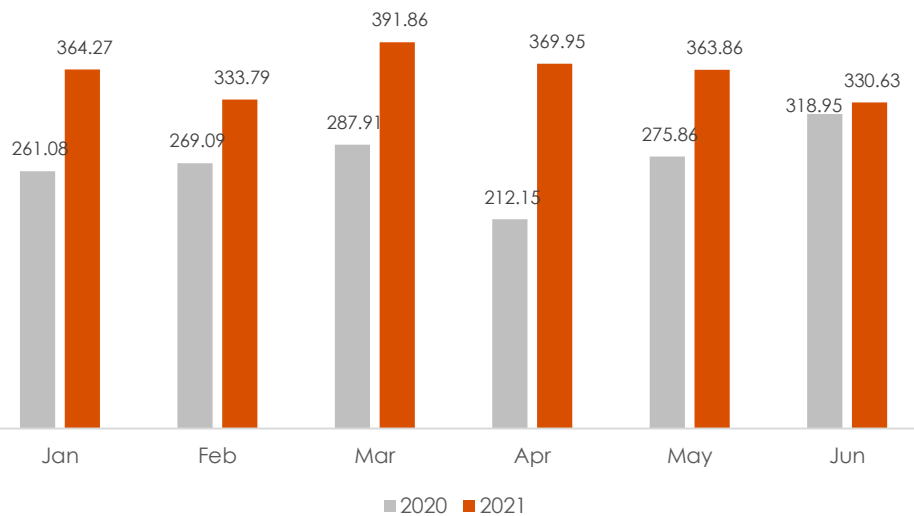
Liquidity Trend



Digital Banking Performance (USSD)

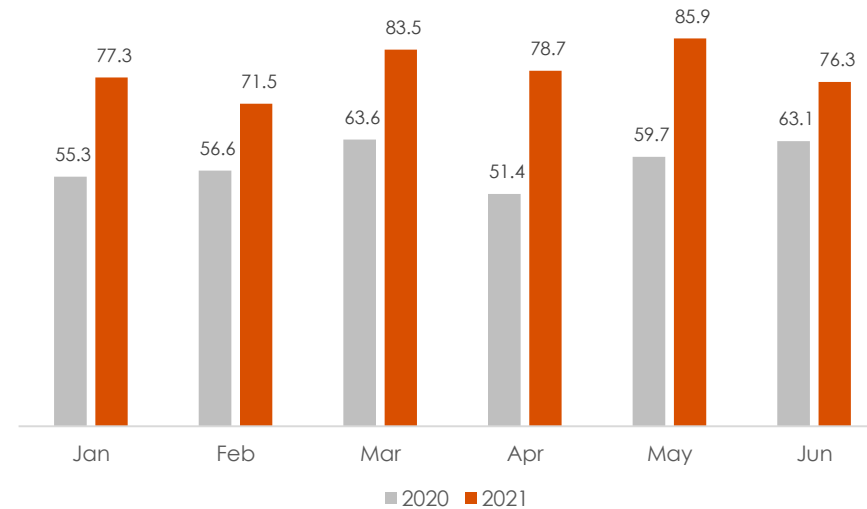
- Continuous growth in the level of adoption of digital banking both in volume and value.
- Total number of USSD unique users grew by 2.9% from 6.9 million in Dec. 2020 to 7.1 million in Jun. 2021.
- However, total number of active users on the USSD platform decreased by 8.8% y-t-d from 5.7 million in Dec. 2020 to 5.2 million in Jun. 2021 following the introduction of a flat charge of N6.98 per successful transaction in March 2021 by the CBN and NCC.

USSD Value (in billions of Naira)



Total Value in HY 2021 : ₦2,154.4 billion
Total Value in HY 2020 : ₦1,625.04 billion
% Growth (y-o-y) : 32.6%

USSD Volume (in millions)

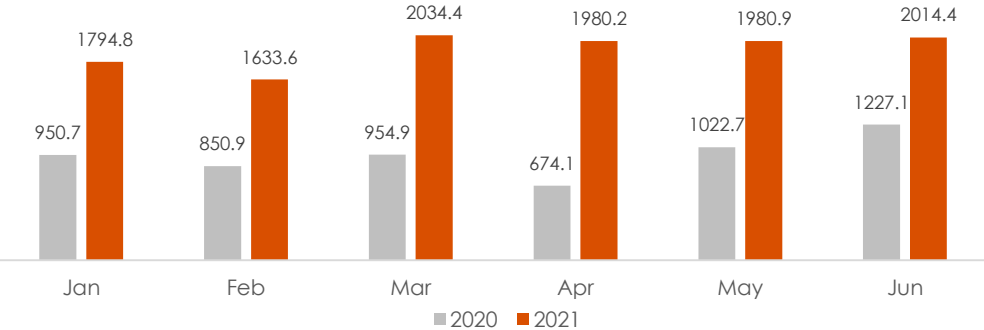


Total Volume in HY 2021 : 473.2 million
Total Volume in HY 2020 : 349.7 million
% Growth (y-o-y) : 35.3%

Digital Banking Performance (Mobile and Internet Banking)

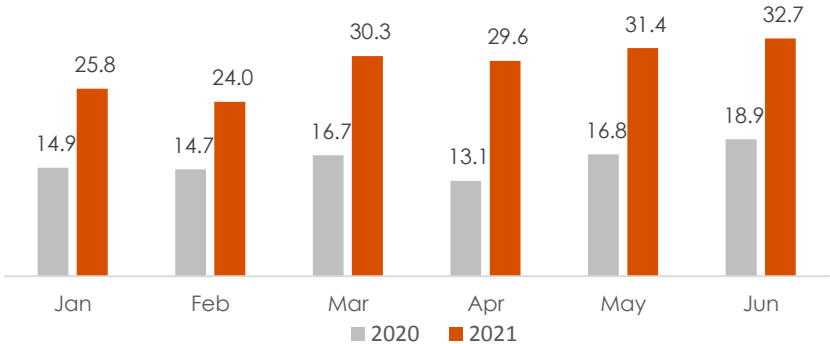
- The introduction of the USSD flat charge of ₦6.98 per successful transaction by the Regulators triggered a migration of customers from the USSD platform to the Internet banking and Mobile Banking platforms.
- Similarly, Mobile banking outperformed its volume growth average of 57% between Jun 2018 and Dec. 2020 and recorded a growth of 83% in Jun. 2021
- Consequently, the volume of internet banking transactions grew by 4.4% in Jun. 2021 compared to its 3-year growth average of (29%) between Jun. 2018 and Dec. 2020.

Mobile Banking (Value in Billions of Naira)



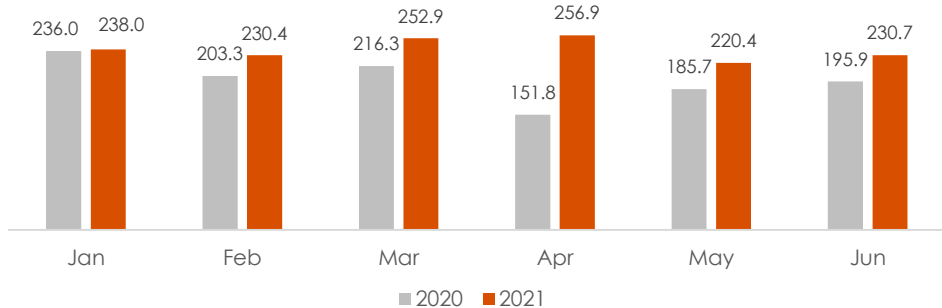
Total Value in HY 2021 : ₦11,438.4 billion
Total Value in HY 2020 : ₦5,680.5 billion
% Growth (y-o-y) : 101.4%

Mobile Banking (Volume in Millions)



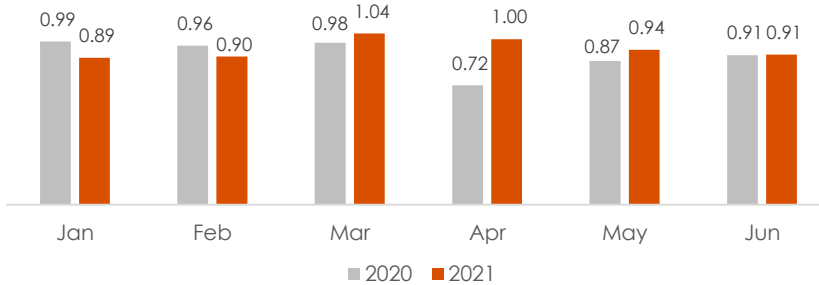
Total Volume in HY 2021: 173.9 million
Total Volume in HY 2020 : 95.0 million
% Growth (y-o-y) : 83%

Internet Banking (Value in Billions of Naira)



Total Value in HY 2021 : ₦1,429.3 billion
Total Value in HY 2020 : ₦1,189.1 billion
% Growth (y-o-y) : 20.2%

Internet Banking (Volume in Millions)




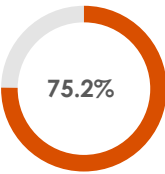
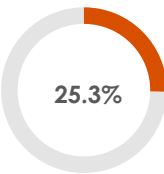
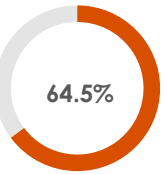

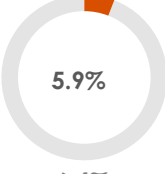
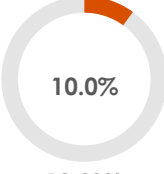
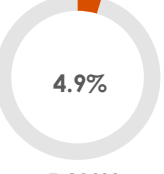

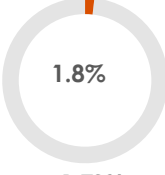
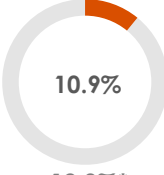
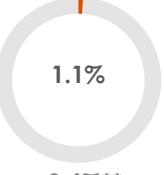


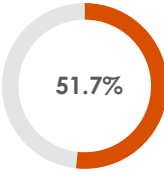
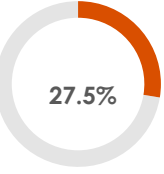

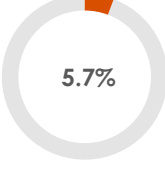
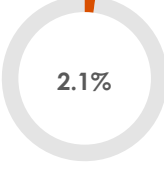
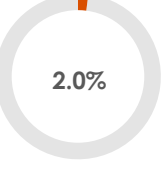
Total Volume in HY 2021 : 5.7 million
Total Volume in HY 2020 : 5.4 million
% Growth (y-o-y) : 4.4%

Business Segments & Subsidiary Review



Same Orange
MORE RANGE

Business Segmentation (Group) – HY 2021

	Description			Loans	Deposits	PBT
 Institutional and Wholesale	2,100+ Customers ₹1,227.7 billion Loans	₹5 billion+ Turnover ₹951.5 billion Deposits	Large Corporates, Multinationals, Energy, Telecoms, Maritime etc. ₹58.5 billion PBT			
 Commercial	224,250+ Customers ₹96.7 billion Loans	from ₹500 million and ₹5 billion Turnover ₹374.4 billion Deposits	Tailor-made Solutions and Flexibility for Middle Market Companies ₹4.5 billion PBT			
 SME	1.14 million+ Customers ₹28.6 billion Loans	under ₹500 million Turnover ₹409.1 billion Deposits	Caters to small, fledging and fairly structured businesses ₹1.04 billion PBT			
 Retail	22.4 million+ Customers ₹185.4 billion Loans 232 Branches	Retail-focused Customer base ₹1,941.8 billion Deposits 60 GTExpress Outlets	Consumer Lending ₹24.9 billion PBT 30 e-branches & Cash Centres 1,374 ATMs			
 Public Sector	Federal, state & local governments ₹93.7 billion Loans	Ministries, Departments. & Agencies (MDAs) ₹77.9 billion Deposits	All segments of government ₹1.8 billion PBT			

* FY 2020
** HY 2020

Geographical Presence – HY 2021

GTBank Ltd.



- Parent Company
- Established in 1990
- 232 branches, 16 e-branches, 14 cash centres & 60 GTExpress
- N675.7 bn in SHF (Parent)
- HY 2021 PBT: ₺75.42 bn (Parent)
- ROE: 19.6% (Parent)

Cote D'Ivoire



- Established in 2012
- 100% owned by parent
- 4 branches
- N5.08bn invested by parent
- HY 2021 PBT: ₺1.11 bn
- ROE: 19.2%

Sierra Leone



- Established in 2002
- 83.74% owned by parent
- 13 branches
- N594.11m invested by parent
- H Y 2021 PBT: ₺1.41 bn
- ROE: 15.6%

Gambia



- Established in 2002
- 77.81% owned by parent
- 15 branches
- N574.28mm invested by parent
- HY 2021 PBT: ₺1.74 bn
- ROE: 31.7%

Ghana



- Established in 2006
- 98.32% owned by parent
- 32 branches
- N18.14bn invested by parent
- HY 2021 PBT: ₺16.47 bn
- ROE: 28.8%

United Kingdom



- Established in 2008
- 100% owned by parent
- 1 branch
- N9.60bn invested by parent
- HY 2021 PBT: (₺1.06 bn)
- ROE: (11.7%)

Liberia



- Established in 2009
- 99.43% owned by parent
- 10 branches
- N1.95bn invested by parent
- HY 2021 PBT: ₺1.15 Bn
- ROE: 14.2%

Kenya



- Acquired in 2013
- 70% owned by parent
- 9 branches
- N17.13bn invested by parent
- HY 2021 PBT: ₺3.06 bn
- ROE: 12.6% (Parent : 5.4%)

Uganda



- Acquired in 2013
- Subsidiary of GTB Kenya
- 8 branches
- ROE: 10.6%

Rwanda

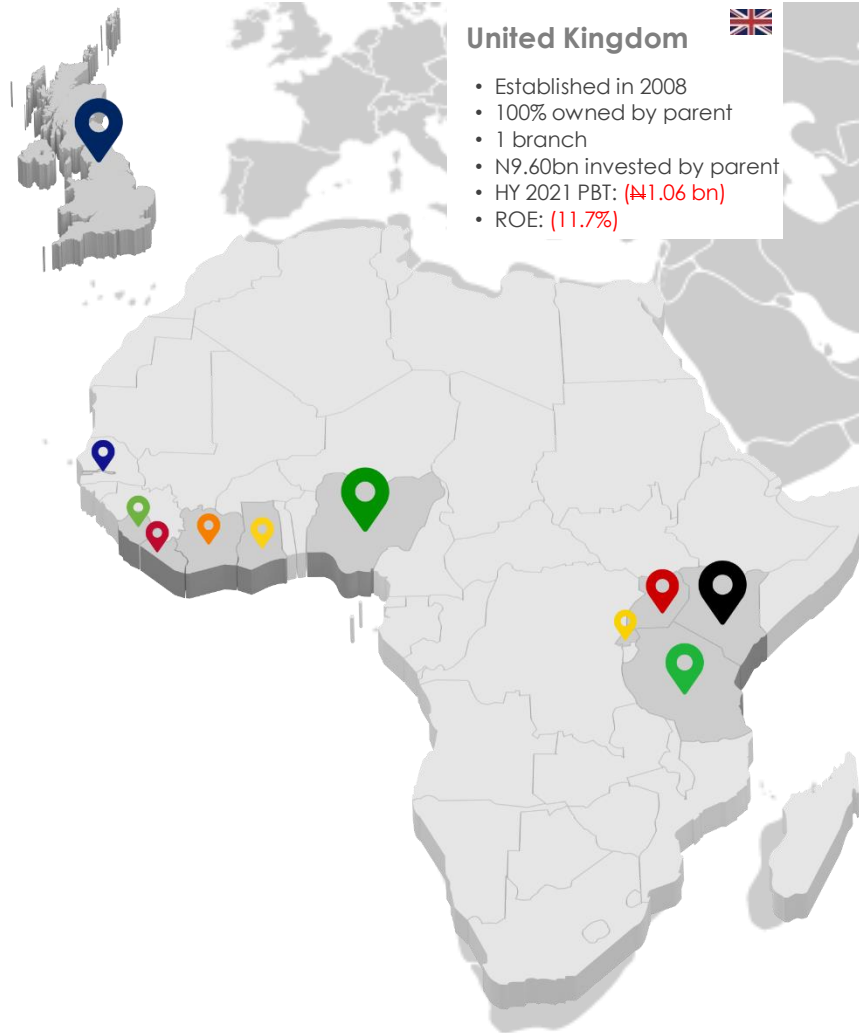


- Acquired in 2013
- Subsidiary of GTB Kenya
- 14 branches
- ROE: 20.8%

Tanzania

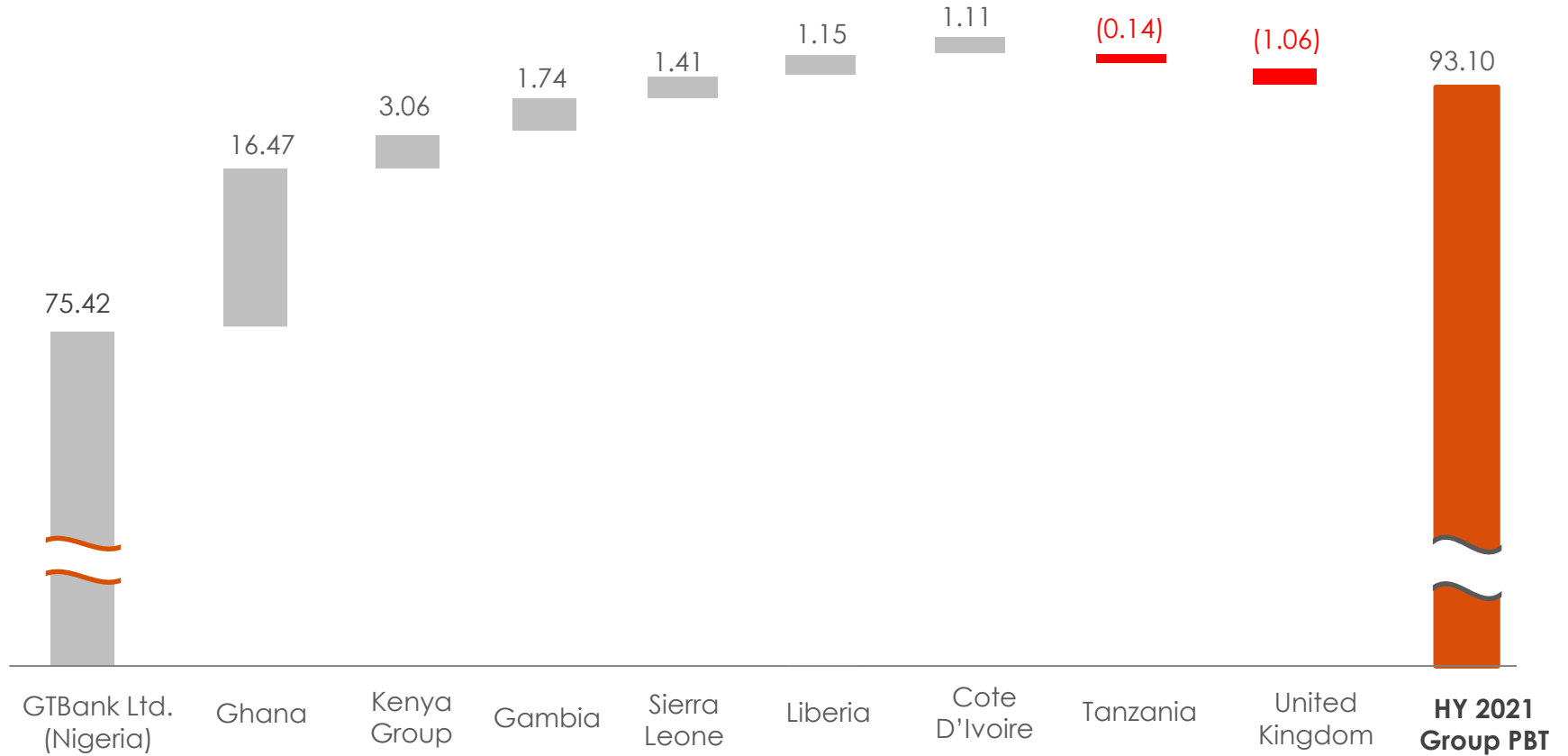


- Established in Dec. 2017
- 76.2% owned by Parent
- 1 branch
- N3.84bn invested by parent
- HY 2021 PBT: (₺141.87 mn)
- ROE: (7.8%)



Group PBT Breakdown

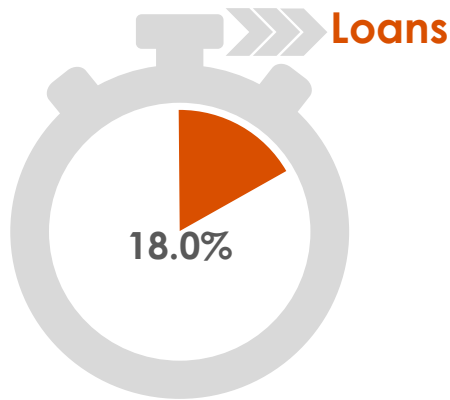
HY 2021 PBT – Group (N'bn)



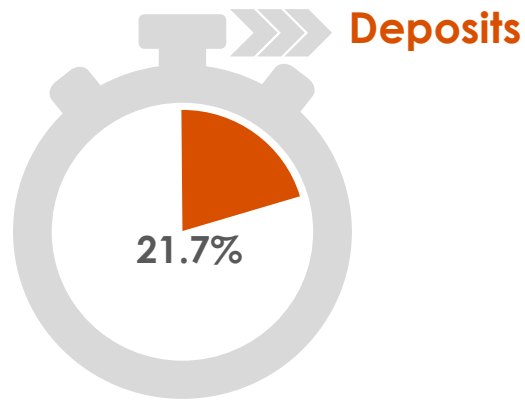
Parent and Subsidiary Highlights

Millions of Naira	Assets			Loans			Total Deposit			PBT		
	HY 2021	FY 2020	% Change	HY 2021	FY 2020	% Change	HY 2021	FY 2020	% Change	HY 2021	HY 2020	% Change
Cote D'Ivoire	63,153	54,403	16%	17,097	15,428	11%	47,213	40,218	17%	1,113	612	82%
Gambia	75,903	66,300	14%	8,283	7,598	9%	63,974	55,451	15%	1,740	1,137	53%
Ghana	348,724	290,757	20%	101,028	75,322	34%	265,606	213,336	25%	16,468	13,057	26%
Kenya Group	188,645	182,681	3%	89,175	80,269	11%	145,588	140,919	3%	3,058	2,087	47%
Liberia	72,022	58,483	23%	32,168	29,444	9%	56,338	43,515	29%	1,154	957	21%
Sierra Leone	65,286	61,982	5%	13,219	13,314	-1%	47,626	48,044	-1%	1,407	1,462	-4%
Tanzania	8,011	7,008	14%	3,071	2,321	32%	4,052	3,016	34%	-142	-209	32%
United Kingdom	250,161	258,119	-3%	28,973	28,517	2%	229,420	235,938	-3%	-1057	-380	-178%
Nigeria	4,040,841	4,061,544	-1%	1,339,163	1,410,617	-5%	2,941,797	2,881,699	2%	75,421	91,304	-17%
* Grand Total	5,017,282	4,944,653	2%	1,632,178	1,662,831	-2%	3,754,753	3,610,829	4%	93,056	109,714	-15%

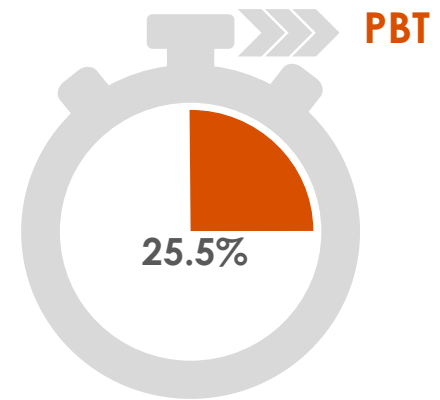
% Contribution of Subsidiaries to Group



(FY 2020 – 15.2%)



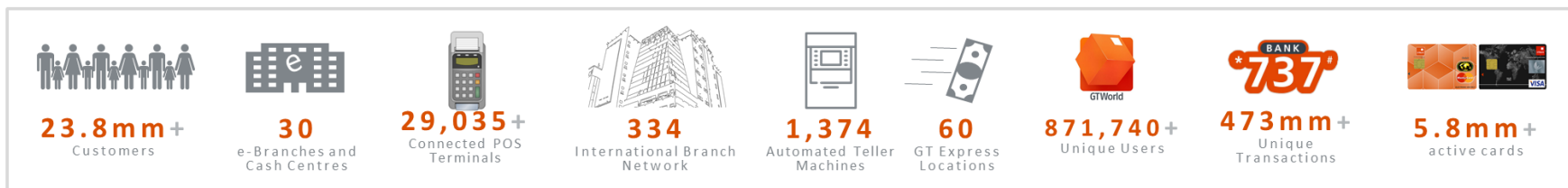
(FY 2020 – 20.2%)



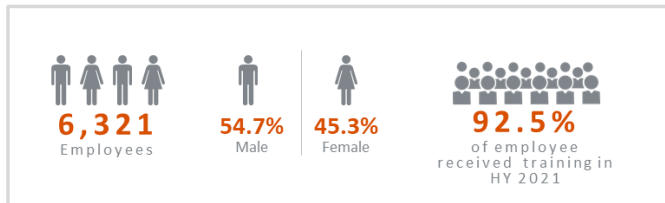
(HY 2020 – 17.1%)

Non-Financial Highlights for HY 2021

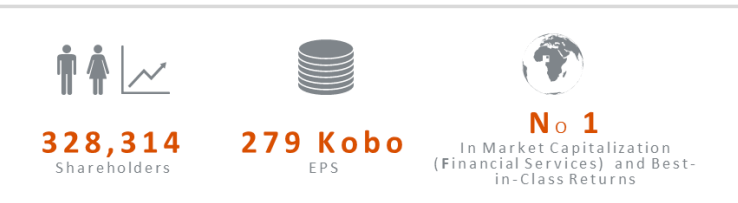
CUSTOMERS



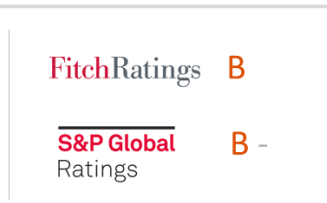
EMPLOYEES



SHAREHOLDERS



RATINGS



COMMUNITIES



ACCOLADES



Guidance and Plans for FY 2021



Same Orange
MORE RANGE

FY 2021 Guidance

	FY 2020	HY 2021	FY 2021 Guidance
PBT	¥238.1 bn	¥93.1 bn	¥243 bn
Deposit Growth	36.8%	4.0%	25%
Loan Growth	10.7%	(1.8%)	10%
Coverage (with Reg. Risk Reserve)	128.7%	146.7%	100%
Cost of Risk	1.18%	0.27%	1%
NPL to Total Loans	6.4%	6.75%	6%
Return on average Assets	4.6%	3.19%	5%
Return on average Equity	26.8%	19.71%	25%
Loans to Deposits and Borrowings (Bank)	49.4%	46.3%	50%
Liquidity Ratio	38.9%	44.71%	38%
Capital Adequacy Ratio	21.9%	24.00%	23%
Cost to Income Ratio	38.2%	48.98%	35%
Net Interest Margin	9.26%	6.98%	8%

Disclaimer

This presentation is based on Guaranty Trust Holding Company Plc ("**GTCO**" or "**Group**")'s audited financial results for the half year ended June 30, 2021 prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (IASB). The Group has also obtained certain information in this presentation from sources it believes to be reliable. Although GTCO has taken all reasonable care to ensure that such external information are accurate and correct, the Group makes no representation or warranty, express or implied, as to the accuracy, correctness or completeness of such information.

Furthermore, GTCO makes no representation or warranty, express or implied, that its future operating, financial or other results will be consistent with results implied, directly or indirectly, by information contained herein or with GTCO's past operating, financial or other results. Any information herein is as of the date of this presentation and may change without notice. GTCO undertakes no obligation to update the information in this presentation. 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 GTCO.

This presentation may also contain "forward-looking statements" that relate to, among other things, GTCO's plans, objectives, goals, strategies, future operations and performance. Such forward-looking statements may be characterised using words such as "estimates," "aims," "expects," "projects," "believes," "intends," "plans," "may," "will" and "should" and other similar expressions which are not the exclusive means of identifying such statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause GTCO's operating, financial or other results to be materially different from the operating, financial or other results expressed or implied by such statements. Furthermore, GTCO makes no representation or warranty, express or implied, that the operating, financial or other results anticipated by such forward-looking statements will be achieved. Such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario. GTCO undertakes no obligation to update the forward-looking statements in this presentation.

Thank You



Same Orange
MORE RANGE