

Guaranty Trust Holding Company Plc

RELEASES AUDITED FULL-YEAR CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022; DECLARES PBT OF ₦214.2BILLION AND FY DIVIDEND OF ₦3.10

Lagos Nigeria – April 14, 2023 – 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 2022 and declares a PBT of ₦214.2bn.

Commenting on the results, the Group Chief Executive Officer of Guaranty Trust Holding Company Plc (GTCO Plc), Mr. Segun Agbaje, said; “Our ability to successfully navigate the peculiar challenges in the different markets where we operate underscores our strong business fundamentals and unwavering commitment to sound business strategies. Despite the varying challenges and headwinds that weighed on growth in 2022, we were determined to deliver a decent performance and scale effectively to strengthen our competitive edge and drive long-term growth.”

He further stated; “As an organisation, 2022 was quite significant for us being the first year after our corporate restructuring into a financial holding company in August 2021. Today, across our Banking, Payment, Funds Management and Pension businesses, we have successfully built a robust ecosystem with immense potential to deepen our addressable market and create more value for all our stakeholders. We will continue to prioritize innovation, service excellence, and execute seamlessly towards achieving our vision of leading financial services in Africa.”

Financial Highlights

- Earnings
 - **Profit before tax of ₦214.2bn** (31 December 2021 ₦221.5bn) a dip of 3.3%.
 - **Profit after tax** decreased by 3.2% **to ₦169.2bn** from ₦174.8bn as of 31 December 2021.
 - Earnings per share of 595kobo compared to 614kobo per share as of 31 December 2021.
 - Final dividend up 10kobo over that corresponding period to 280kobo per share.
- Revenue
 - **Interest income of ₦325.4bn** (31 December 2021: ₦266.9bn) significantly up by 21.9%, largely driven by increase in average volumes of earnings assets resulting in 26.7% increase in interest earned on fixed income securities and 15.2% increase in interest income on loans and advances and further complemented by improved interest earned on Placements.
 - **Non-interest income of ₦213.8bn** comprising of fee and commission income, net trading gains, and other income (31 December 2021: ₦180.9bn) up 18.2%. The Non-interest income growth resulted largely from 35.9% increase in realized net trading gains, 22.2% increase in fees and commission and 7.5% increase in other income.
 - **Net interest margin of 6.68%** (31 December 2021: 6.74%) due to slight pick-up in COF on the back of global interest rate hike.
- Balance Sheet
 - **Total assets of ₦6.446trn** (31 December 2021: ₦5.436trn) up 18.6%
 - **Net loans and advances of ₦1.886trn** (31 December 2021: ₦1.803trn) up 4.6%.
 - **Deposit liabilities of ₦4.485trn** (31 December 2021: ₦4.130trn) up 11.8%.
- Credit Quality
 - **IFRS 9 Stage 3 loans to Gross loans at 5.2%** (31 December 2021: 6.0%).
 - **Coverage for lifetime credit impaired loans at 175.5%** (31 December 2021: 150.4%)
 - **Cost of Risk at 0.6%** (31 December 2021: 0.5%).
- Continued focus on efficiency
 - **Cost to income (CIR) closed at 48.0%, from 42.3% for the year ended 31 December 2021 reflecting impact of rising prices.**

- Subsidiaries
 - Contribution to Group PBT from West Africa decreased from 21.0% in December 2021 to 12.3% in December 2022 as significant impairment was recognised on sovereign securities. During the same period, the contributions from East Africa increased and Nigeria Banking Subsidiary to 3.4% from 3.0%, and 84.3% from 79.5% respectively. The Group also benefitted from 0.9% contribution from the Non-Banking Subsidiaries which was adequate to compensate for negative 0.8% contribution from United Kingdom in FY-2022.

December 2022 Financial Analysis and Ratios

Key Financials (N' billion)	FY-2022	FY-2021	Δ%
Interest income	325.4	266.9	21.9%
Non-interest income	213.8	180.9	18.2%
Operating income	448.0	384.5	16.5%
Operating expenses	197.9	162.3	22.0%
Profit before tax	214.2	221.5	-3.3%
Profit after tax	169.2	174.8	-3.2%
Earnings per share (in naira)	6.0	6.1	-3.1%
	FY-2022	FY-2021	Δ%
Total assets	6,446.5	5,436.0	18.6%
Net loans	1,885.9	1,802.7	4.6%
Deposit liabilities	4,610.3	4,130.3	11.6%

Key Ratios	FY-2022	FY-2021
ROAE (<i>post-tax</i>)	18.6%	20.6%
ROAA (<i>post-tax</i>)	2.8%	3.4%
ROAE (<i>pre-tax</i>)	23.6%	26.1%
ROAA (<i>pre-tax</i>)	3.6%	4.3%
Net interest margin	6.7%	6.7%
Cost-to-income ratio	48.0%	42.3%
	FY-2022	FY-2021
Net loans to deposits	40.9%	43.6%
Liquidity ratio	49.9%	38.3%
Capital adequacy ratio	24.1%	23.8%
NPL/Total loans (based on IFRS)	5.2%	6.0%
Cost of risk	0.6%	0.5%
Coverage (with reg. risk reserves)	175.5%	150.4%

14 April 2023

Enquiries:

Guaranty Trust

Oyinade Adegite, Head, Group Communication

+234-1-2715227

Charles Eremi, Group Communication

ir@gtcplc.com

Notes to the Editors:

Guaranty Trust Holding Company Plc is a diversified financial services company with ₦6.446trillion 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