

Guaranty Trust Holding Company Plc

UNAUDITED Q1 GROUP RESULTS FOR THE PERIOD ENDED MARCH 31, 2023: DECLARES A PBT OF ₦74.1BILLION

Lagos Nigeria - April 28, 2023 - Guaranty Trust Holding Company Plc ("GTCO"), (Bloomberg: GUARANTY:NL/Reuters: GUARANT.LG), provider of diversified financial services, announces its unaudited Financial Results for the period ended 31 March 2023 and declares a PBT of ₦74.1bn.

Commenting on the results, the Group Chief Executive Officer of Guaranty Trust Holding Company Plc (GTCO Plc), Mr. Segun Agbaje, said; "Our first quarter results reflect the strength of the GTCO franchise, the quality of our decision making, and the unfolding success of our efforts towards becoming a leading financial services company in Africa. Despite severe headwinds, we delivered a decent performance, recording growth across key revenue lines. We are also not relenting in our resolve to better outcomes for people and businesses within our financial ecosystem."

He further added; "2023 is shaping up to be another interesting year. Some of the challenges from the past few years are still lingering, and uncertainties ahead would test the resilience of most economies and businesses. We are confident in our positioning as a thriving financial services company underpinned by strong business fundamentals and will continue to benefit from a well-diversified earnings base."

Financial Highlights

- Earnings
 - **Profit before tax of ₦74.1bn** (31 March 2022: ₦54.3bn) an increase of 36.5%.
 - **Profit after tax** increased by 34.6% to **₦58.2bn** from ₦43.2bn as of 31 March 2022
 - Earnings per share of 204kobo compared to 151kobo per share as of 31 March 2022.
- Revenue
 - **Interest income of ₦104.1bn** (31 March 2022: ₦70.6bn) Significantly up by 47.3% on the back of improved yield and increase in average volume of earning assets resulting in 49.3% growth in interest earned on fixed income securities and 25.0% increase in interest income on loans and advances and further complemented by improved interest earned on placements.
 - **Non-interest income of ₦54.0bn** comprising of fee and commission income, net trading gains, and other income (31 March 2022: ₦49.0bn) up 10.3%. The Non-interest income growth resulted largely from 33.2% increase in fees and commission, 17.7% increase in other income but partly offset by 30.5% decrease in net trading gains.
 - **Net interest margin of 7.7%**(31 March 2022: 6.3%).
- Balance Sheet
 - **Total assets of ₦6.740trn** (31 December 2022: ₦6.446trn) up 4.6%
 - **Net loans and advances of ₦1.859trn** (31 December 2022: ₦1.886trn) down 1.5% due to the Translation impact of Subs ex Nigeria numbers as their currencies weakens against USD.
 - **Deposit liabilities of ₦5.068trn** (31 December 2022: ₦4.610trn) up 9.9%.
- Credit Quality
 - **IFRS 9 Stage 3 loans to total loans at 5.4%**(31 December 2022: 5.2%).
 - **Coverage for lifetime credit impaired loans at 174.4%**(31 December 2022: 175.5%)
 - **Cost of Risk at 0.2%**(31 December 2022: 0.6%).

- Continued focus on efficiency
 - Cost to income (CIR) closed at 43.1% improving from 47.0% for the period ended 31 March 2022.**
- Subsidiaries

Contribution to Group PBT from West Africa and East Africa decreased from 27.5% and 3.9% in March 2022 to 25.8 and 3.3% in March 2023 due to improved contribution from the United Kingdom which increased from -0.1% to 3.2%, complemented by Non-Banking Subsidiaries contribution of 1.6% from -0.2% during the same period. Consequently, Nigeria Banking Subsidiary dipped from 69.7% in March 2022 to 65.6% in March 2023.

March 2023 Financial Analysis and Ratios

Key Financials (N' billion)	Q1-2023	Q1-2022	Δ%
Interest income	104.1	70.6	47.3%
Non-interest income	54.0	49.0	10.3%
Operating income	130.2	102.4	27.2%
Operating expenses	56.1	48.1	16.8%
Profit before tax	74.1	54.3	36.5%
Profit after tax	58.2	43.2	34.6%
Earnings per share (in Naira)	2.0	1.5	35.0%
	Q1-2023	FY-2022	Δ%
Total assets	6,740.3	6,446.5	4.6%
Net loans	1,858.5	1,885.9	-1.5%
Deposit liabilities	5,067.6	4,610.3	9.9%

Key Ratios	Q1-2023	Q1-2022
ROAE (<i>post-tax</i>)	24.4%	19.3%
ROAA (<i>post-tax</i>)	3.5%	3.2%
ROAE (<i>pre-tax</i>)	31.1%	24.2%
ROAA (<i>pre-tax</i>)	4.5%	4.0%
Net interest margin	7.7%	6.3%
Cost-to-income ratio	43.1%	47.0%
	Q1-2023	FY-2022
Net loans to deposits	36.7%	40.9%
Liquidity ratio	34.3%	49.9%
Capital adequacy ratio	23.2%	24.1%
IFRS 9 Stage 3 Loans	5.4%	5.2%
Cost of risk	0.2%	0.6%
Coverage (with Reg. Risk Reserves)	174.4%	175.5%

28 April 2023

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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

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