



Earnings Update: FIDELITY BANK. (Ticker: FIDELITYBK)

Forging Ahead Despite The Tough Operating Environment

THINGS WE LIKE ABOUT THE RESULT

1. Net Interest Income grew YoY by 81.90% to ₦277.77 billion
2. Net Fees and Commissions Income increased by 44.31% from ₦34.42 billion in 2022 to ₦49.67 billion in 2023, with a 6.96% decrease in expenses.
3. Increased profit after tax by 116.80% from ₦46.72 billion in 2022 to ₦101.29 billion in 2023.
4. Total assets, increased by 56.93% y/y from ₦3.99 trillion in 2022 to ₦6.23 trillion in 2023.

THINGS WE DID NOT LIKE ABOUT THE RESULT

1. The sharp increase in credit loss expenses by 1114.09% y/y from ₦5.44 billion in 2022, to ₦66.08 billion in 2023.
2. The 77.91% increase in personnel expenses.
3. The 58.93% increase in other operating expenses

TICKER

Price (₦) as at, 06 Feb 2024.

Shares Outstanding

Recommendation

FIDELITYBK

11.50

35,212,211,331

BUY

REBASED PRICE MOVEMENT IN FIDELITY BANK AND NGX-ASI



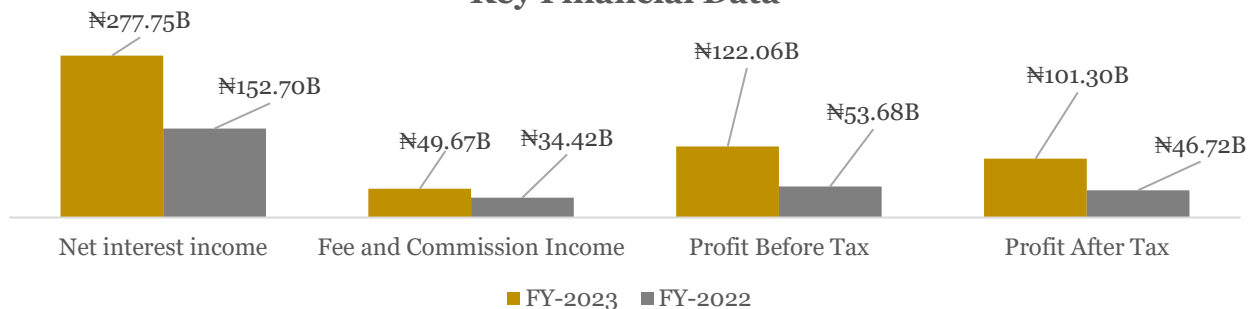
Kindly click [here](#) for the full financial statement.

Source: investing.com, Parthian Securities Research



INCOME STATEMENT	FY-2023 (₹'m)	FY-2022 (₹'m)	Change (%)
Gross Earnings	553,896	337,050	64.34%
Interest income	432,004	278,406	55.17%
Interest expense	-179,773	-142,883	25.82%
Net interest income	277,753	152,695	81.90%
Credit loss expense	-66,083	-5,443	1114.09%
Net interest income after credit loss expense	211,670	147,252	43.75%
Net gain on FVTPL investment securities	20,021	-1,568	-1376.85%
Fee and commission income	49,670	34,418	44.31%
Fee and commission expense	-11,812	-12,695	-6.96%
Other operating income	46,700	7,054	562.04%
Personnel expenses	-52,893	-29,731	77.91%
Depreciation and amortisation	-7,101	-6,616	7.33%
Other operating expenses	-134,194	-84,437	58.93%
Profit before tax	122,062	53,677	127.40%
Income tax expense	-20,766	-6,953	198.66%
Profit after tax	101,296	46,724	116.80%
STATEMENT OF FINANCIAL POSITION	FY-2023 (₹'m)	FY-2022 (₹'m)	Change (%)
Cash and Cash equivalents	383,441	300,345	27.67%
Restricted balances with central bank	1,174,398	863,090	36.07%
Loans and advances to customers	3,093,541	2,116,212	46.18%
Financial assets at fair value through profit or loss	7,684	2,036	277.41%
Debt instrument at amortised cost	818,756	479,592	70.72%
Other assets	404,006	112,915	257.80%
Property, plant and equipment	47,382	42,657	11.08%
TOTAL ASSETS	6,228,144	3,989,009	56.13%
Other liabilities	1,136,795	815,407	39.41%
Deposits from customers	4,049,853	2,580,597	56.93%
TOTAL LIABILITIES	5,794,812	3,674,649	57.70%
Debts issued and other borrowed funds	577,028	261,466	120.69%
Total equity	433,333	314,360	37.85%
TOTAL LIABILITIES AND EQUITY	6,228,144	3,989,009	56.13%
STATEMENT OF CASHFLOW	FY-2023 (₹'m)	FY-2022 (₹'m)	Change (%)
Net cash used in operating activities	547,269	297,592	83.90%
Net cash used in investing activities	(598,872)	36,822	-1726.40%
Net cash used in financing activities	90,612	(256,001)	-135.40%

Key Financial Data





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