



NGX: FBNH

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Bloomberg: FBNH NL

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**FBN HOLDINGS PLC GROWS PROFIT BEFORE TAX TO ₦359 BILLION  
FOR THE FULL YEAR ENDED DECEMBER 31, 2023**

FBN Holdings Plc. (“FBNH” or “FBNHoldings” or the “Group”) today announces its audited results for the financial year end December 31, 2023.

**Financial Highlights**

**Income Statement**

| (₦ billion)                        | FY 2023 | FY 2022 | Δ%      |
|------------------------------------|---------|---------|---------|
| Gross earnings                     | 1,595.3 | 815.2   | +95.7%  |
| Interest income                    | 960.3   | 551.9   | +74.0%  |
| Net-interest income                | 548.9   | 363.2   | +51.1%  |
| Non-interest income <sup>1</sup>   | 601.7   | 237.2   | +153.6% |
| Operating income <sup>2</sup>      | 1,149.8 | 600.3   | +91.5%  |
| Impairment charges for losses      | 227.4   | 68.6    | +231.4% |
| Operating expenses                 | 564.3   | 373.9   | +50.9%  |
| Profit before tax                  | 358.9   | 157.7   | +127.3% |
| Profit for the year <sup>3</sup>   | 310.5   | 136.3   | +127.8% |
| Basic EPS (Kobo) <sup>4</sup>      | 859     | 375     | +129.2% |
| Proposed dividend per share (Kobo) | 40      | 50      | -20.00% |

**Statement of Financial Position**

| (₦ billion)                     | FY 2023  | FY 2022  | Δ%     |
|---------------------------------|----------|----------|--------|
| Total assets                    | 16,937.7 | 10,577.7 | +60.1% |
| Customer loans & advances (Net) | 6,359.3  | 3,789.1  | +67.8% |
| Customer deposits               | 10,663.3 | 7,124.1  | +49.7% |

| Key Ratios %                                   | FY 2023 | FY 2022 |
|--|---------|---------|
| Post-tax return on average equity <sup>5</sup> | 22.6    | 14.5    |
| Post-tax return on average assets <sup>6</sup> | 2.3     | 1.4     |
| Earnings yield <sup>7</sup>                    | 10.7    | 8.8     |
| Net-interest margin <sup>8</sup>               | 6.1     | 5.8     |
| Cost of funds <sup>9</sup>                     | 3.7     | 2.3     |
| Non-interest revenue/operating income          | 52.3    | 38.5    |
| Cost to income <sup>10</sup>                   | 49.1    | 61.7    |
| Gross loans to deposits                        | 62.2    | 55.2    |
| Capital adequacy (FirstBank Nigeria)           | 17.9    | 16.8    |
| Capital adequacy (FBNQuest Merchant Bank)      | 15.4    | 16.3    |
| NPL/Gross Loans                                | 4.7     | 4.3     |
| NPL coverage <sup>11</sup>                     | 91.7    | 80.5    |
| PPOP <sup>12</sup> /impairment charge (times)  | 3.1     | 3.6     |
| Cost of risk <sup>13</sup>                     | 3.3     | 1.7     |
| Book value per share (₦)                       | 48.7    | 27.7    |

<sup>1</sup> Non-interest income is net of fee and commission expenses

<sup>2</sup> Operating income defined as net interest income plus non-interest income

<sup>3</sup> Profit for the year includes discontinued operations

<sup>4</sup> Basic EPS computed as profit after tax including discontinued operations divided by weighted average number of shares in issue

<sup>5</sup> Post-tax return on average equity computed as profit after tax attributable to shareholders divided by the average opening and closing balances attributable to equity holders

<sup>6</sup> Post-tax return on average assets computed as profit after tax divided by the average opening and closing balances of its total assets.

<sup>7</sup> Earnings yield computed as Interest income divided by the average opening and closing balances of interest earning assets (Less financial assets at fair value through profit and loss plus unlisted debts)

<sup>8</sup> Net-interest margin computed as net interest income divided by the average opening and closing balances of interest earning assets (Less financial assets at fair value through profit and loss plus unlisted debts)

<sup>9</sup> Cost of funds computed as interest expense divided by average interest-bearing liabilities

<sup>10</sup> Cost to income ratio computed as operating expenses divided by operating income

<sup>11</sup> NPL coverage computed as total allowance for impairment plus regulatory risk reserve divided by total stage 3 loans

<sup>12</sup> PPOP - Pre-provision operating profit computed as sum of operating profit and impairment charge

<sup>13</sup> Cost of risk computed as credit impairment charges divided by the average opening and closing gross loans balances

● Percentage change could vary due to rounding up of numbers

Nnamdi Okonkwo, the Group Managing Director commented:

*The Group's strong performance underscores the resilience and sustainable growth despite the challenging macroeconomic landscape. Notably, gross earnings grew 95.7% y-o-y to ₦1.6 trillion, while profit before tax increased by 127.3% y-o-y to ₦358.9 billion.*

*We are committed to further enhancing revenue and profitability by leveraging technology, strengthening our value proposition, refining our governance model, and maximising operational efficiencies. In the face of the increasingly competitive environment, we maintain a forward-looking approach, with a clear aim to build a sustainable institution. Our disciplined execution of strategic initiatives positions the Group for improved profitability, excellence in performance, and surpassing stakeholders' expectations.*

### Group financial review

**Gross earnings** grew by 95.7% to ₦1.6 trillion (Dec 2022: ₦815.2 billion). This was driven by a 74.0% y-o-y growth in **interest income** to ₦960.3 billion (Dec 2022: ₦551.9 billion), which represents 60.2% of gross earnings. The growth in interest income was underpinned by the strong rate environment which resulted in an increase in **earning yields** to 10.7% from 8.8% in the prior year. Likewise, **net interest margin** improved to 6.1% from 5.8% in 2022.

Relatedly and in line with the focus of driving transaction-based offerings, **non-interest income** grew 153.6% y-o-y to ₦601.7 billion. This includes trading and mark to market income of ₦382.7 billion. Excluding this, non-interest revenue was up 52.4% y-o-y to ₦219.0 billion (Dec 2022: ₦143.7 billion). This was primarily driven by 63.8% y-o-y growth in **net fee and commission income** – underscoring the strength of our core banking and related offerings.

The underlying drivers of fees and commission were led by electronic banking fees (+20.4%) to ₦66.3 billion, Letters of credit commission and fees (+278.4%) to ₦60.6 billion, Account maintenance fees (+12.3%) to ₦22.3 billion, and funds transfer and intermediation fees (+204.9%) to ₦20.6 billion. Excluding trading and mark to market income, Net fees and commission continue to drive transaction-based income, contributing 88.2% (2022: 82.1%) to non-interest income, propelled by further improving transaction volumes while optimizing digital products offerings and delivery models.

**Operating income** increased by 91.5% on account of strong earnings that offset the growth in operating expenses. As a result, the **cost to income ratio** improved to 49.1% (Dec 2022: 61.7%). Cost management continues to remain a key priority as we focus on further improving efficiency.

**Deposit from customers** increased by 49.7% to ₦10.7 trillion (Dec 2022: ₦7.1 trillion). Deposits continues to comprise low-cost funds, with current and savings accounts making up 92.1%<sup>14</sup> of total deposits from 91.9% in the prior year. However, given the high interest rate environment and the increase in monetary policy rate, cost of funds increased to 3.7% (Dec 2022: 2.3%).

Customer acquisition drive has also been enhanced through a growing adoption across digital platforms and greater penetration of the unbanked segments through the agency banking network, further boosting financial inclusion drive.

**Total assets** grew by 60.1% to ₦16.9 trillion (Dec 2022: ₦10.6 trillion) on the back of a 67.8% y-o-y increase in customer loans and 20.5% y-o-y growth in investment securities, thus enhancing our earning capabilities and overall asset position.

Gross loans improved by 68.8% to ₦6.6 trillion (Dec 2022: ₦3.9 trillion) due to growth in lending and benefiting from the increase in foreign currency loans following devaluation of the currency. Despite the volatile business environment, **NPL ratio** remained well within the regulatory threshold at 4.7%, while coverage ratio further

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<sup>14</sup> for FirstBank of Nigeria

improved from 80.5% in 2022 to a solid at 91.7%, thereby sustaining the overall strong asset quality profile of the portfolio - this remains a top priority.

**Business Groups:**

**Commercial Banking**

- Gross earnings of ₦1,493.3 billion, up 96.8% y-o-y (Dec 2022: ₦758.6 billion)
- Net interest income of ₦540.5 billion, up 51.3% y-o-y (Dec 2022: ₦357.2 billion)
- Non-interest income of ₦541.9 billion, up 159.9% y-o-y (Dec 2022: ₦208.5 billion)
- Operating expenses of ₦540.0 billion, up 53.4% y-o-y (Dec 2022: ₦351.9 billion)
- Profit before tax of ₦317.2 billion, up 115.7% y-o-y (Dec 2022: ₦147.0 billion)
- Profit after tax of ₦279.1 billion, up 115.7% y-o-y (Dec 2022: ₦129.4 billion)
- Total assets of ₦16.3 trillion, up 61.1% y-o-y (Dec 2022: ₦10.1 trillion)
- Customers' loans and advances (net) of ₦6.3 trillion, up 69.6% y-o-y (Dec 2022: ₦3.7 trillion)
- Customers' deposits of ₦10.5 trillion, up 51.9% y-o-y (Dec 2022: ₦6.9 trillion)

**Merchant Banking & Asset Management (MBAM) / FBNQuest**

- Gross earnings of ₦97.6 billion, up 83.8% y-o-y (Dec 2022: ₦53.1 billion)
- Profit before tax of ₦35.9 billion, up 158.5% y-o-y (Dec 2022: ₦13.9 billion)
- Total assets of ₦674.5 billion, up 36.2% y-o-y (Dec 2022: ₦495.4 billion)

– ENDS –

**Conference call**

FBNHoldings will host a question-and-answer teleconference call with analysts and investors on the audited FY December 31, 2023 results and unaudited first quarter March 31, 2024 on **Tuesday, May 28, 2024, at 3:00pm Lagos / 3:00pm UK / 10:00am New York / 4:00pm Johannesburg & Cape Town.**

The results conference call can be accessed by [clicking here](#) register.

Participants are advised to register for the call at least ten minutes before the start of the call. For those who are unable to listen to the live call, a recording will be posted on the Company's website.

An investor presentation will be available ahead of the call on the [FBNHoldings website](#).

**Audited FY 2023 Financial Statements**

Please [click here](#) to view the audited FY 2023 financial statements on our website.

**For further information please contact:**

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**FBN Holdings Plc.****SEPARATE AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

| AS AT   | GROUP             |                   | COMPANY        |                |
|---|-------------------|-------------------|----------------|----------------|
|   | 31 December       | 31 December       | 31 December    | 31 December    |
|   | 2023              | 2022              | 2023           | 2022           |
|   | N 'million        | N 'million        | N 'million     | N 'million     |
| <b>ASSETS</b>   |                   |                   |                |                |
| Cash and balances with central banks                            | 2,572,363         | 1,790,863         | -              | -              |
| Loans and advances to banks                                     | 2,053,230         | 1,223,061         | 16,523         | 18,331         |
| Loans and advances to customers                                 | 6,359,294         | 3,789,061         | 269            | 39             |
| Financial assets at fair value through profit or loss           | 748,785           | 278,466           | 504            | 1,601          |
| Investment securities   | 2,797,620         | 2,321,885         | 6,959          | 3,963          |
| Asset pledged as collateral                                     | 1,519,094         | 595,171           | -              | -              |
| Other assets  | 600,927           | 373,130           | 17,661         | 19,032         |
| Investments in associates accounted for using the equity method | 2,005             | 1,185             | -              | -              |
| Investment in subsidiaries                                      | -                 | -                 | 262,671        | 262,671        |
| Property and equipment  | 161,677           | 125,167           | 948            | 718            |
| Intangible assets   | 33,557            | 15,859            | -              | -              |
| Deferred tax assets   | 55,895            | 30,909            | -              | -              |
|   | 16,904,447        | 10,544,757        | 305,535        | 306,355        |
| Assets held for sale  | 33,237            | 32,953            | -              | -              |
| <b>Total assets</b>   | <b>16,937,684</b> | <b>10,577,710</b> | <b>305,535</b> | <b>306,355</b> |
| <b>LIABILITIES</b>  |                   |                   |                |                |
| Deposits from banks   | 1,803,182         | 1,055,254         | -              | -              |
| Deposits from customers   | 10,663,346        | 7,124,086         | -              | -              |
| Financial liabilities at fair value through profit or loss      | 143,470           | 38,384            | -              | -              |
| Current tax liabilities   | 52,662            | 27,901            | 29             | 29             |
| Other liabilities   | 1,261,833         | 652,554           | 19,041         | 17,269         |
| Borrowings  | 1,250,827         | 675,440           | -              | -              |
| Retirement benefit obligations                                  | 8,036             | 5,699             | -              | -              |
| Deferred tax liabilities  | 5,524             | 868               | -              | -              |
|   | 15,188,880        | 9,580,186         | 19,070         | 17,298         |
| Liabilities held for sale                                       | 1,783             | 1,783             | -              | -              |
| <b>Total liabilities</b>  | <b>15,190,663</b> | <b>9,581,969</b>  | <b>19,070</b>  | <b>17,298</b>  |
| <b>EQUITY</b>   |                   |                   |                |                |
| Share capital   | 17,948            | 17,948            | 17,948         | 17,948         |
| Share premium   | 233,392           | 233,392           | 233,392        | 233,392        |
| Retained earnings   | 588,967           | 397,709           | 36,614         | 39,391         |
| Statutory reserve   | 211,935           | 156,553           | -              | -              |
| Capital reserve   | -                 | -                 | 10             | 10             |
| Small scale investment reserve                                  | 6,076             | 6,076             | -              | -              |
| Fair value reserve  | 300,888           | 98,060            | (1,499)        | (1,684)        |
| Regulatory risk reserve   | 20,501            | 20,224            | -              | -              |
| Foreign currency translation reserve                            | 338,871           | 53,667            | -              | -              |
|   | 1,718,578         | 983,629           | 286,465        | 289,057        |
| Non-controlling interests                                       | 28,443            | 12,112            | -              | -              |
| <b>Total equity</b>   | <b>1,747,021</b>  | <b>995,741</b>    | <b>286,465</b> | <b>289,057</b> |
| <b>Total equity and liabilities</b>                             | <b>16,937,684</b> | <b>10,577,710</b> | <b>305,535</b> | <b>306,355</b> |

**FBN Holdings Plc.**

| SEPARATE AND CONSOLIDATED STATEMENT OF PROFIT OR LOSS<br><br>FOR THE YEAR ENDED | GROUP               |                     | COMPANY             |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | 31 December<br>2023 | 31 December<br>2022 | 31 December<br>2023 | 31 December<br>2022 |
|   | N 'million          | N 'million          | N 'million          | N 'million          |
| <b>Continuing operations</b>  |                     |                     |                     |                     |
| Interest income   | 960,328             | 551,937             | 3,379               | 2,088               |
| Interest expense  | (411,415)           | (188,688)           | (6)                 | (3)                 |
| <b>Net interest income</b>  | <b>548,913</b>      | <b>363,249</b>      | <b>3,373</b>        | <b>2,085</b>        |
| Impairment charge on financial instruments                                      | (227,418)           | (68,619)            | -                   | -                   |
| <b>Net interest income after impairment charge for losses</b>                   | <b>321,495</b>      | <b>294,630</b>      | <b>3,373</b>        | <b>2,085</b>        |
| Fee and commission income   | 226,454             | 143,981             | -                   | -                   |
| Fee and commission expense  | (33,256)            | (26,012)            | -                   | -                   |
| <b>Net Fee and commission income</b>  | <b>193,198</b>      | <b>117,969</b>      | <b>-</b>            | <b>-</b>            |
| Foreign exchange (loss)/gain  | (332,787)           | 32,430              | 787                 | 38                  |
| Net gains/(losses) on sale of investment securities                             | 34,848              | 22,425              | (50)                | -                   |
| Net gains/(losses) from financial instruments at FVTPL                          | 680,620             | 38,648              | (379)               | 264                 |
| Dividend income   | 5,742               | 3,166               | 17,160              | 19,871              |
| Other operating income  | 19,230              | 22,404              | 123                 | 2,024               |
| Personnel expenses  | (179,090)           | (117,376)           | (2,194)             | (1,884)             |
| Depreciation of property and equipment  | (29,480)            | (20,982)            | (326)               | (225)               |
| Amortisation of intangible assets   | (13,869)            | (7,068)             | -                   | -                   |
| Operating expenses  | (341,852)           | (228,519)           | (3,302)             | (2,690)             |
| <b>Operating profit</b>   | <b>358,055</b>      | <b>157,727</b>      | <b>15,192</b>       | <b>19,483</b>       |
| Share of profit of associates   | 820                 | 175                 | -                   | -                   |
| <b>Profit before income tax and minimum tax</b>                                 | <b>358,875</b>      | <b>157,902</b>      | <b>15,192</b>       | <b>19,483</b>       |
| Minimum tax   | (8,282)             | (3,362)             | (21)                | (22)                |
| <b>Profit before income tax</b>   | <b>350,593</b>      | <b>154,540</b>      | <b>15,171</b>       | <b>19,461</b>       |
| Income tax expense  | (40,111)            | (18,229)            | (1)                 | (1)                 |
| <b>PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS</b>                           | <b>310,482</b>      | <b>136,311</b>      | <b>15,170</b>       | <b>19,460</b>       |
| <b>Discontinued operations</b>  |                     |                     |                     |                     |
| Loss for the year from discontinued operations                                  | (112)               | (138)               | -                   | -                   |
| <b>PROFIT FOR THE YEAR</b>  | <b>310,370</b>      | <b>136,173</b>      | <b>15,170</b>       | <b>19,460</b>       |
| <b>Profit attributable to:</b>  |                     |                     |                     |                     |
| Owners of the parent  | 308,203             | 134,403             | 15,170              | 19,460              |
| Non-controlling interests   | 2,167               | 1,770               | -                   | -                   |
|   | <b>310,370</b>      | <b>136,173</b>      | <b>15,170</b>       | <b>19,460</b>       |
| <b>Earnings per share for profit attributable to owners of the parent</b>       |                     |                     |                     |                     |
| Basic/diluted earnings per share (kobo):  |                     |                     |                     |                     |
| From continuing operations  | 859                 | 375                 | 42                  | 54                  |
| From discontinued operations  | -                   | -                   | -                   | -                   |
| From profit for the year  | 859                 | 375                 | 42                  | 54                  |

**- Notes to Editors -**

FBN Holdings Plc. (ISIN: NGFBNH000009) is the most diversified financial services group in Nigeria. FBN Holdings Plc. was incorporated in Nigeria on 14 October 2010, following the business reorganisation of the FirstBank Group into a holding company structure. The Company was listed on the Nigerian Stock Exchange under the 'Other Financial services' sector on 26 November 2012 and now has in issue and fully paid-up share capital of 35,895,292,792 ordinary shares of 50 kobo each (₦17,947,646,396). More information can be found on our website [www.fbnholdings.com](http://www.fbnholdings.com).

The subsidiaries of FBNHoldings offer a broad range of products and services across Commercial banking in 10 countries (Lagos, Nigeria; London, United Kingdom; Paris, France; Beijing, China; Kinshasa, Democratic Republic of Congo, Accra, Ghana; Banjul, Gambia, Conakry, Guinea, Freetown, Sierra Leone and Dakar, Senegal), Merchant Banking and Capital Markets, Trusteeship<sup>15</sup> as well as Insurance brokerage. The Group, with about 8,732 staff has 827 business locations (591 local branches, 144 QSPs and agencies for FirstBank (Nigeria) and 92, (local and international) subsidiary locations).

**Commercial Banking** comprises First Bank of Nigeria Limited, FBNBank (UK), FBNBank DRC, bank subsidiaries in West Africa<sup>16</sup>, a representative office in Beijing and in Paris as well as First Pension Fund Custodian. This group provides both individual and corporate clients/customers with financial intermediation services. This business segment includes the group's local, international, and representative offices with operations in 10 countries offering commercial banking services.

**Merchant Banking & Asset Management** comprises FBNQuest Merchant Bank group, FBNQuest Capital group and FBNQuest Trustees Limited. These are wholly owned by the holding company. The FBNQuest Merchant Bank group comprises FBNQuest Merchant Bank and its subsidiaries, FBNQuest Securities Limited and FBNQuest Asset Management Limited. The FBNQuest Capital group comprises FBNQuest Capital Limited and its subsidiary FBN Funds Limited. The group creates value by offering investment and risk management products, managing funds, administering assets, and trading securities. It caters to the diverse advisory, funding and investment needs of clients spanning Federal and State Governments, corporates, and high-net-worth individuals (HNIs).

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<sup>15</sup> The Merchant Banking, Capital Markets and Trusteeship operate under the reportable entity Merchant Banking and Asset Management / FBNQuest

<sup>16</sup> Comprising locations in Ghana, Gambia, Guinea, Sierra Leone, and Senegal

**Cautionary note regarding forward looking statements**

*This release contains forward-looking statements which reflect management's expectations regarding the Group's future growth, results of operations, performance, business prospects and opportunities. Wherever possible, words such as "anticipate", "believe", "expects", "intend", "estimate", "project", "target", "risks", "goals" and similar terms and phrases have been used to identify the forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to the Group's management. Certain material factors or assumptions have been applied in drawing the conclusions contained in the forward-looking statements. These factors or assumptions are subject to inherent risks and uncertainties surrounding future expectations generally. Forward-looking statements therefore speak only as of the date they are made.*

*FBNHoldings cautions readers that a number of factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully, and undue reliance should not be placed on the forward-looking statements. For additional information with respect to certain risks or factors, reference should be made to the Group's continuous disclosure materials filed from time to time with the Nigerian Stock Exchange. The Group disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*