

GTB| Equities |2021 Q1 | Earnings Update
21st April 2021



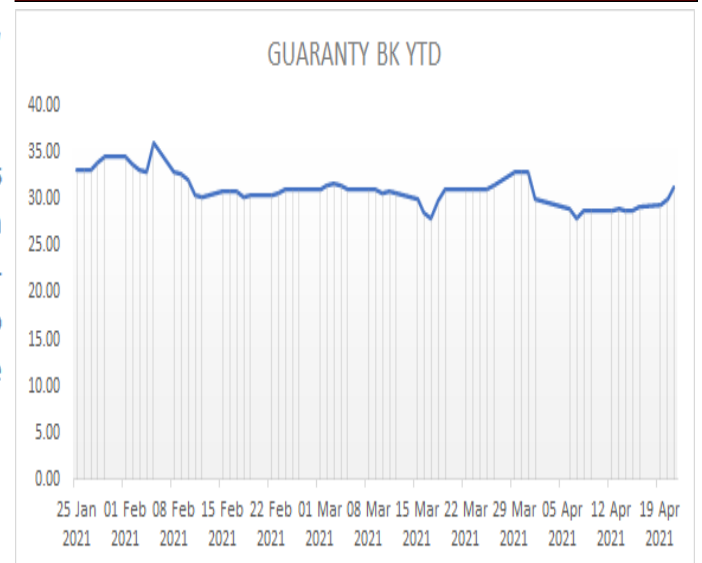
GTB records 9.03 percent decline in PAT YoY posts N45.54 Bn

GTB recorded a 9.03 percent decline in profit after tax in Q1 2021 moving to N45.54 Bn from N50.06 Bn in Q1 2020, as the tier one lender grew slight cost inefficient as cost to income ratio increase marginally by 0.03 percent with total expenses moving from N39.77 Bn in Q1 2020 to N39.78 Bn in Q1 2021 .

Meanwhile, GTB recorded a 38.27 percent decrease in interest expense as the bank reduced its cost of raising deposits. The bank's interest expense moved from N12.75 Bn in Q1 2020 to N7.87 Bn in Q2 2021, as the commercial lender marginally grew loan and advances from customers YoY by 1.03 percent to N1.63 Tr in Q1 2021 from N1.62 Tr in Q1 2020. GTB grew total assets by 23.24 percent moving to N4.99 Tr in 2021 Q1 from N4.05 Tr in 2020 Q1, while deposits to customers increased by 30.19 percent to 3.60 Tr in 2021 Q1 YoY.

As COVID-19 vaccine distribution gains traction globally, whilst commodity prices and currencies continue to stabilize. The banks are expected to grow their loan books in a race to meet up with the Loan-Deposit Ratio requirement of the Central Bank of Nigeria while keeping an eye on non-performing loans. The CBN is also expected to create more credit giving schemes as it tries to stimulate the economy amidst managing rasing inflation and instability in the foreign exchange market.

Company	GUARANTY BK	
Valuation		
EPS	1.55	
BVPS	28.45	
P/E	19.39	
P/BV	1.05	
Current Price	30.00	
Key Metrics		
ROA	3.65%	
ROE	21.76%	
Loan to Deposit	44.08%	
Net Profit Margin	42.90%	
Asset Turnover	0.02	
Cost to Income	41.73%	
Shares Statistics		
Yr Hi	Share Out & Mkt Cap in 000	38.45
Yr Low		18.35
YTD Return		-5.59%
No of Shares Outstanding		29,431,179.00
Market Cap		919,724,350.00



Financial Highlights (NGN Thousands) GTB 2021 Q1

Profit & Loss Account	2020Q1	2021Q1	y/y Growth
Gross earnings	112,865,724.00	106,165,956.00	-5.94%
Interest Income	75,360,048.00	55,127,649.00	-26.85%
Interest Expense	(12,754,940.00)	(7,874,177.00)	-38.27%
Net Interest Income	64,282,112.00	52,434,496.00	-18.43%
Net Commission and Fee	13,553,592.00	14,608,325.00	7.78%
Total operating Expense	39,772,171.00	39,783,192.00	0.03%
PBT	58,204,162.00	53,683,158.00	-7.77%
Tax Liabilities	(8,137,182.00)	(8,136,917.00)	0.00%
PAT	50,066,980.00	45,546,241.00	-9.03%
Balance Sheet	2020Q1	2021Q1	
Loans and Advances to banks	56,329.00	66,925.00	18.81%
Loan and Advances to Customers	1,621,953,561.00	1,638,666,564.00	1.03%
Cash and Bank Balance	482,297,154.00	709,478,426.00	47.10%
Total Assets	4,057,315,854.00	4,992,637,157.00	23.05%
Deposit from banks	94,053,208.00	113,333,467.00	20.50%
Deposit from customers	2,768,254,596.00	3,604,016,738.00	30.19%
Borrowings	158,178,903.00	121,702,364.00	-23.06%
Total Shareholders fund	661,066,130.00	837,235,233.00	26.65%
Total Liabilities	3,396,249,724.00	4,155,401,924.00	22.35%

Atlas Portfolio: Daily Market Report

Contact Information**Investment Research**tokunade@atlassportfolios.com
info@atlassportfolios.comWebsite: <https://atlassportfolios.com/>