



Fidelity Bank FY 2024 Audited Result: Top-Line Earnings Tips Over N1trn.

**Fidelity Bank
FY 2024 Audited Result**

Image Credit: Proshare Graphics

Proshare.

Issue Date:
Thursday, April 03, 2025

A Market Intelligence and
Strategic Advisory Group Report

Production:
Proshare Graphics.

Unlock **exclusive access** to
reliable **market information**,
comprehensive reports, and
expert analysis.



Visit www.proshare.co

Proshare.

Fidelity Bank has demonstrated rapid growth in its gross earnings; however, there is a perception that the bank remains regionally focused and has a narrow customer base, with a dominant presence in the South-South and Southeastern regions. The perception may be incorrect as the bank has shown a broader national appeal in loan book distribution and deposit mobilisation. However, perceptions sometimes contradict reality, creating challenges for business competitiveness and leading to avoidable obstacles to business expansion.

After a successful capital raise exercise in 2024 by way of a public offer (IPO) and rights issue (raising N175.9bn) both oversubscribed with the public offer being oversubscribed by 237.92% and the rights being oversubscribed by 137.73%, analysts have argued that with the recapitalisation moving into a second phase the bank needs to project a broader competitive image. The wider national perception would enable the moneylender to strengthen its footprint across larger economic sectors and different loan classes. Admittedly, the bank has done operationally well in growing its balance sheet in the last year, but it has still stayed on the borderline between **Proshare's tier 1 banking sector institutions (PBSI)** and **their tier 2 counterparts.**

BEYOND PROFIT
How a Nigerian Company Built a Culture of Credibility

Available at the following Outlets:

Proshare.

Upcoming Reports and Events.

- 4th Edition Tier 1 Banks Report**
- 6th Edition CEO Roundtable**
- 10th Edition Online TRADING**
- 4th Edition Economists Conference**

www.proshare.co

Fidelity Bank's interest income rose by +106.86% to N950.59bn in FY 2024, leveraging the high-interest rate environment with a +51.6% growth in its earning base to N6.3trn and investment securities returns. Other income also increased by +31.20% to N143.37 from N109.27bn as foreign exchange revaluation gains decreased by 73.43% to N11.72bn. Income generated from the issuance of E-banking, foreign exchange trading and account maintenance also increased by double digits. These gains drove top line earnings by +87.72% to N1.04trn in FY 2024. The diverse income portfolio led to the group's PAT rising by 179.63% to N278.11bn as total assets and shareholders' equity rose to N8.82trn and N897.87bn respectively.

The bank announced a final dividend of N1.25 per share bringing their total dividend for the year to N2.10 which translates to a dividend yield of 11.05% based on the stock's closing price as of 28 March 2025 (see table 1).

Table 1:

FIDELITY'S KEY HIGHLIGHTS			
Key Highlights	FY 2023 (Nbn)	FY 2024 (Nbn)	Growth Rate (%)
Gross earnings	555.83	1,043.40	87.72%
Interest income	459.53	950.59	106.86%
Interest expense	182.17	320.82	76.11%
Net Fees and commission income	37.79	70.31	86.07%
Foreign currency revaluation gains	44.09	11.72	-73.43%
Other income	109.27	143.37	31.20%
Operating expenses	194.94	331.48	70.04%
Profit Before Tax	124.26	385.22	210.01%
Profit After Tax	99.45	278.11	179.63%
Earnings per share (Naira)	3.11	6.65	113.83%
Total Assets	6,234.69	8,821.74	41.49%
Shareholder's Equity	437.31	897.87	105.32%
Deposit size	4,014.81	5,937.06	47.88%
Loans and advances	3,092.42	4,387.11	41.87%
Investment securities	1,095.78	1,813.67	65.51%
Retained Earnings	65.51	185.26	182.80%
Cash and Cash Equivalent	364.18	707.45	94.26%

Ratios

Fidelity's financial ratios improved with rising profitability ratios, stronger cost efficiency, and higher asset utilisation. Return on equity and assets increased to 41.70% and 3.15%, respectively. Similarly, net profit margin and net interest margin increased to 26.65% and 12.00%, respectively, while the cost-to-income ratio and cost of risk declined to 42.90% and 1.50% (see Table 2).

Table 2:

FIDELITY'S RATIOS		
Ratios	FY 2023	FY 2024
Net profit margin	17.89%	26.65%
Return on equity	26.50%	41.70%
Return on assets	1.60%	3.15%
Net interest margin	8.10%	12.00%
Cost-to-income ratio	50.40%	42.90%
Cost of Risk	2.60%	1.50%
Loan-to-deposit (LDR)	77.03%	73.89%
Loan-to-assets	49.60%	49.73%
Non performing loan ratio	3.50%	3.10%

Valuation

Fidelity's market perception declined despite strong fundamental numbers with a decline in its price-to-earnings and price-to-book values. The price-to-book value convergence toward 1 reveals its valued close to its book value (see table 3).

Table 3:

FIDELITY'S VALUATION		
Valuation	FY 2023	FY 2024
Price to Earnings (P/E)	3.67x	2.86x
Price to Book (P/B)	1.31x	1.06x

Share Price Movement.

Fidelity's share price was volatile in the year 2024, notching downward from January until May 23 2024, when its 52-week low of N8.00 was reached. It subsequently gained, closing the year at N17.50 returning 53.51% in 2024 and 66.67 as of March 28, 2025 (see chart 1).

Chart 1:



Closing Thoughts.

The banking group has a few characteristics that should delight stakeholders:

- The lender has sufficient capacity to absorb loan delinquency. During a capital raise, this is an essential characteristic, as it builds investor confidence in the banking group's ability to weather economic or operational shocks. The deposit money bank (DMB) has a loan default allowance ratio of over 100%. (149%).
- The industry's earnings growth rate is 30.4%, as against the lender's 51.7% over an annualised average of five years' data. The five-year average earnings per share (EPS) growth rate was 49.3%. Primarily driven by rapid growth in top-line earnings.
- With a current dividend yield of 11% and a payout ratio of 24%, the shareholders of financial lenders have had reason to be pleased with their equity returns. At a price-to-earnings ratio of 2.2x and a price-to-book value of 0.9x. Investors benefit from hidden value opportunities.
- With projections of a future financial landscape characterised by lower interest rates, more stable exchange rates, and declining inflation, the bank's improved net interest margin (NIM) and non-interest income (NII) could decrease with interest rate declines between 2027 and 2028.

Fidelity Bank Plc achieved a strong operating performance in 2024; however, top-line revenue growth and net income increases could suffer a reversal if the federal government is slow to react to ongoing geopolitical shifts and rising geoeconomic fragmentation. Banking sector recapitalisation would be helpful, but in the short term, it would lead to a reduced return on equity (RoE) and return on Asset (RoA). Investors of Fidelity Bank and other local banks would need to accept this reality for two to three years, depending on the pace of net income growth for each bank. Over the next 24 to 36 months.

For further updates on **Fidelity Bank**, follow the company **Proshare Investor Relations (IR) Portal**.

For feedback and further information, kindly contact research@proshare.co

[Click Here to](#)

Subscribe

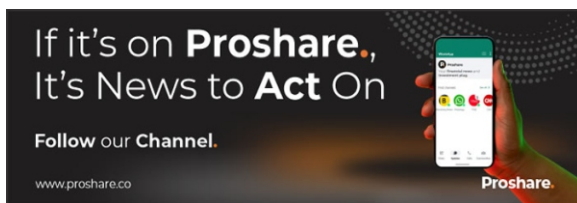
to our **Market Intelligence** notes for updates.

Thank you.

Related Items.

1. Investors Affirm Support for Fidelity Bank Plc with 238% Equity Capital Oversubscription
2. Fidelity Bank Chairman, Chike-Obi Honoured with Lifetime Achievement Award
3. Fidelity Bank Plc Announces New Appointments to Its Board of Directors
4. Fidelity Bank: Sturdy Growth in Interest Income Supports 9M 2024 Performance
5. Fidelity Bank H1 2024 Result: Topline Earnings Rise 107.6% as Bank Drives Aggressive Recapitalisation Programme
6. Fidelity Bank Plc Declares N159.83bn PAT in H1 2024 Unaudited Results, (SP: N13.00)
7. Nigeria Data Protection Violation: NDPC Fines Fidelity Bank N555.8m
8. Fidelity Bank Plc Starts N29.6bn Rights Offer at Offer Price of N9.25
9. Fidelity Bank Plc Promotes 11% of Staff Following Record Financial Performance
10. Fidelity Bank Plc Undertakes N29.6bn Rights Issue and N97.5bn Public Offer
11. Fidelity Bank Plc - Optimistic Earnings Outlook Despite Cost Pressures
12. Fidelity Bank Plc – Resolutions From the 36th Annual General Meeting on May 16, 2024
13. Fidelity Bank Plc Declares N31.44bn PAT in Q1 2024 Results, (SP: N9)
14. Fidelity Bank Plc to Hold the 36th Annual General Meeting on May 16, 2024
15. Fidelity Bank's FY 2023 Result under the Pre-Recapitalisation Microscope: Net Profit Grows +112.85% Despite Higher Loan Loss Provisions
16. Fidelity Bank Plc Declares N99.45bn PAT in FY 2023 Results, (SP: N9)
17. Fidelity Bank in 2024: A Peek Under the Banking Bonnet
18. Fidelity Bank Plc Announces Delay in Publishing Audited Financial Statements for the Year Ended December 31, 2023
19. Fidelity Bank Board Approves FY 2023 Audited Financial Statements; Awaits Regulatory Approval
20. Fidelity Bank Board Extends Employment Contract of Group Managing Director/Chief Executive Officer to 2026
21. Fidelity Bank Plc Appoints Abolore Solebo as an Executive Director
22. Fidelity Bank Plc Proposed a Rights Issue of 3.2bn Ordinary Shares

23. Fidelity Bank Plc to Hold Board Meeting on January 30th 2024
24. Fidelity Bank Set to Host Two Days of Family Entertainment
25. Fidelity Bank wins Export Finance Bank of the Year Award at 2023 BusinessDay BAFI Awards
26. Fidelity Bank Plc Declares N91.75bn PAT in Q3 2023 Results,(SP:N8.2)
27. Houston, Texas Gears up for Fidelity Bank's FITCC Trade Expo
28. Fidelity Bank Plc Announced Board Meeting & Closed of Trading Period
29. Fidelity Bank Plc Completes the Acquisition of Union Bank Plc UK
30. Fidelity Bank Finalises Acquisition of UBUK as NTB Auction and FGN Savings Bond See Higher Demand



Advice To Users of This Report.

Proshare, founded in 2006, is a trusted professional practice and financial information hub dedicated to serving as a critical bridge between the markets, investors, regulators, and stakeholders. By delivering credible, reliable, and timely engagements, we assist the marketplace to shape thought-led conversations premised on evidence-based insights that hold the firm accountable collaboratively.

Practice Ethos and Disclaimer

Proshare does not guarantee any results or investment returns based on the information contained in this report. Although we have used our best efforts to provide the most accurate information, we do not promise verbally or in writing that you will earn a profit when or if you use the information contained therein and/or take the actions that might have been prescribed here by the author or our analysts, any reliance you place on our content for decision making is at your own risk. Reports often contain complex technical language, kindly seek expert analysis or expert opinions to help interpret the findings accurately. Context is key, and understanding is essential to grasp the report's true implications. We encourage our discerning readers to seek additional education and insights as you navigate the complexities of the report. As consumers of news and information, we play a role in responsible reporting, be cautious of spreading unverified or misleading information about the report's contents or corporate entities mentioned in the report.

Copyright

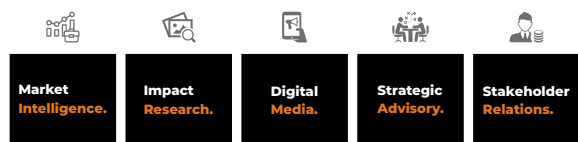
The copyright of the materials in this report belongs to Proshare Nigeria Ltd. While we encourage the dissemination of our work, permission to reproduce or republish any portion of the report should be directed to the office of the MD/CEO of Proshare Nigeria Ltd. This work is licensed under the Trademark and Copyrights Laws of the Federal Republic of Nigeria and is registered accordingly at the National Library and other relevant agencies. Proshare's Reports are critical to its education, empowerment, and enlightenment. It is designed to provide market impact commentary on economic, financial, and business developments. While the partners and acknowledged references are responsible for their work, the report issued is designed to document facts.

Creation Date

This report was published on April 03, 2025, and is based on the best publicly available information at that time. The PDF version was created on April 03, 2025. For comments, feedback, and updates, kindly send us an e-mail via research@proshare.co. Thank you.


Teslim SHITTA-BEY
 Managing Editor/CE


Tosin IGE
 Head, Research



Contacts.

Olufemi AWOYEMI , <i>mni</i> ceo@proshare.co	www.proshare.co
Teslim SHITTA-BEY teslim.bey@proshare.co	+234 902 407 5284
Tosin IGE research@Proshare.co	@proshare
Ademidun SHOGO analyst@proshare.co	proshare.co
	proshare.co
	proshare.co

Plot 590b, Lekan Asuni
 Close, Off Toyin Omotosho Street,
 Omole Phase 2, Isheri Olowora
 Ikeja, Lagos, Nigeria **PC: 105102**
 Tel: **0700 – PROSHARE**
 E-mail: info@proshare.co