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GUARANTY TRUST HOLDINGS Plc

Earnings Show – Q1 2026

Analysts

Uyomi Eya
uyomi.eya@norrenberger.com

Abigael Adesina
abigael.adesina@norrenberger.com

GTCO delivered a solid revenue performance in Q1 2026, with gross earnings rising by 9.2% year-on-year to ₦571.4 billion, largely driven by strong growth in interest income and fee-based earnings, which increased by 17.5% and 7.1% respectively. However, funding pressures remained evident as interest expense surged by 39.8% to ₦110.7 billion, significantly outpacing revenue growth. While operating expenses grew at a relatively moderate rate of 13.7%, profitability came under pressure, with profit before tax recording a marginal increase of 0.9% to ₦302.9 billion. In addition, a significant rise in income tax provision weighed on the bottom line, resulting in a 15% decline in profit after tax to ₦218.1 billion.

Items	Q1 2026	Q1 2025	YOY (%)
Gross earnings	571,423	523,312	9.2%
Interest Expense	110,705	79,217	39.8%
Net Interest Income	356,293	318,174	12.0%
Fee and Commission Income	80,306	74,989	7.1%
Fee and Commission Expense	10,509	7,868	33.6%
Net Fee and Commission Income	69,797	67,120	4.0%
Operating Expenses	139,194	122,428	13.7%
Profit before tax	302,891	300,256	0.9%
Income Tax expense	84,765	42,347	100.2%
Profit for the year	218,127	257,909	-15.4%

Sources: Company Financials, Norrenberger Research

	Q1 '26	FY '25	YOY (%)
Assets	18,745,554	17,761,152	5.5%
Liabilities	15,120,012	14,349,772	5.4%
Equity	3,625,542	3,411,380	6.3%

Sources: Company Financials; Norrenberger Research

GTCO's balance sheet position remained resilient in Q1 2026, with total assets increasing by 5.5% to ₦18.7 trillion, reflecting modest growth in its asset base. This was matched by a 5.4% rise in liabilities to ₦15.1 trillion, indicating that asset expansion was largely supported by growth in customer deposits and other funding sources. Shareholders' funds also improved, rising 6.3% to ₦3.6 trillion, supported by retained earnings despite weaker comprehensive income during the quarter.

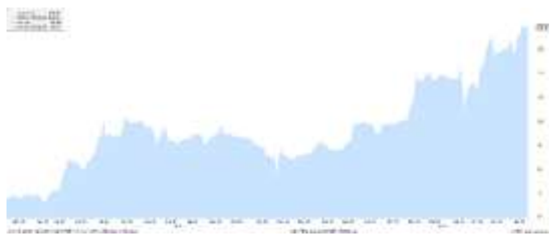
Meanwhile, profitability softened, with ROA declining to 4.7% from 5.6% and ROE easing to 25% from 32.9%, reflecting weaker returns on both assets and shareholder capital amid higher funding costs and lower net earnings.

Company Statistics as at 13th May, 2026	
Price (N)	147.4
Market Cap (N'Billion)	5,387.5
P/E Ratio	6.26x
Dividend Yield	8.65%
Shares Outstanding (Million)	36,550.23
Q1 EPS	5.89
Beta	0.85
TP	163.02

Sources: Bloomberg, Norrenberger Research

Ownership Structure	
RWC PARTNERS LTD	1.9%
FIL LTD	1.4%
Others	96.7%

Sources: Bloomberg, Norrenberger Research



Source: Bloomberg, Norrenberger Research

Business Description

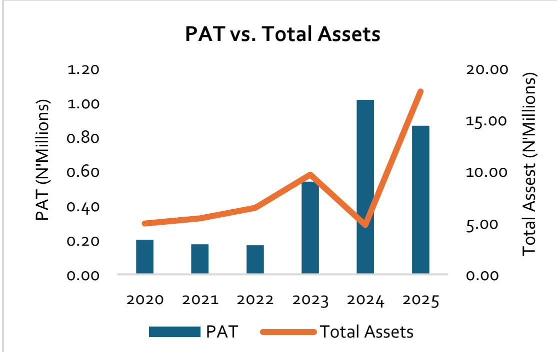
Guaranty Trust Holding Company Plc (GTCO) is a leading African financial services holding company headquartered in Lagos, Nigeria. The Group was established in 1990 as Guaranty Trust Bank Plc and commenced operations in February of that year. In a landmark move, the Bank was listed on the Nigerian Stock Exchange (now Nigerian Exchange Limited) in 1996 and later became the first Nigerian bank to be listed on the London Stock Exchange in 2007. In 2021, the Group transitioned into a holding company structure and was rebranded as Guaranty Trust Holding Company Plc, enabling it to diversify beyond traditional banking. Today, GTCO operates a broad portfolio spanning commercial banking, payments, asset management, pension management, and investment services through its subsidiaries. The Group serves individuals, SMEs, corporates, and public-sector clients across Nigeria, other African countries, and select international markets. GTCO is widely recognized for its strong corporate governance, innovative digital solutions, customer-focused strategy, and consistent financial performance.

Rising costs and cautious asset growth weigh on performance in Q1 2026

While GTCO delivered stable revenue growth and maintained a healthy balance sheet position, Q1 2026 performance was largely weighed down by rising funding costs and higher tax provisioning. Asset growth remained relatively modest at 5.5%, reflecting a cautious approach to balance sheet expansion amid the high-interest-rate environment. While this conservative stance supports financial stability and prudent risk management, it also moderates the pace at which earnings can expand through increased asset creation.

Overall, GTCO's Q1 2026 performance underscores the trade-off between sustaining revenue momentum and managing elevated cost and tax pressures, reinforcing the need for tighter cost efficiency and disciplined asset deployment to support stronger earnings growth in subsequent periods.

Although the Q1 results were relatively underwhelming compared to the corresponding period, the Group's strong capital position, with Capital Adequacy Ratio (CAR) at 43.8%, following its capital raise, provides significant headroom for expansion and the creation of additional risk assets. Furthermore, the expectation of a sustained high-interest-rate environment should continue to support interest income generation, while the Group's diversification strategy across fintech, Habari, and other financial services verticals presents notable long-term growth opportunities.



Sources: Company Financials; Norrenberger Research

Key Ratios	Q1 26	Q1 2025
Net Profit Margin	46.8%	57.3%
Return on Equity (ROE)	25.0%	32.9%
Return on Assets (ROA)	4.7%	5.6%
Return on Capital (ROC)	21.49	26.55
Debt to Equity	4.17	8.85

Sources: Company Financials; Norrenberger Research

Contacts:

Client Services

clientservicesecurities@norrenberger.com

(+234 916 032 4627)

Chief Research Officer

samuel.oyekanmi@norrenberger.com

Research

nslresearch@norrenberger.com

norrenresearchteam@norrenberger.com