



**Stanbic IBTC Holdings PLC (“Stanbic IBTC”)
Full-year audited group results for the year ended 31 December 2022**

Stanbic IBTC reported growth in profitability and core asset metrics supported by its strong capital and liquidity positions

LAGOS, NIGERIA – 17 March 2023 – Stanbic IBTC, a member of Standard Bank Group, has announced its audited results for the year ended 31 December 2022.

Commenting on the results, Dr Demola Sogunle, Chief Executive Stanbic IBTC, said:

“2022 was a peculiar year for us as a financial services provider within the Nigerian operating environment. Despite the volatile macro-economic indicators, coupled with varying regulatory burdens, we made substantial progress towards achieving our set financial goals based on our guidance for the year. We recorded growth in our profit metrics, loans and advances, and deposits during the year. The Group’s profit after tax increased by 42% to ₦80.81bn, being the second highest PAT in the history of the organisation. This was largely attributable to significant increase in net interest income and growth in non-interest revenue. The 50% YoY increase in net interest income resulted from growth in the volume and average yield on cumulative risk assets while growing our loan book. In addition, non-interest revenue was driven by growth in trading revenue following an improvement in trading activities as well as 9% growth in fees and commissions compared to the prior year.

The improvement in our earnings led to an increase in our return on equity to 20.4% from 14.7% in 2021, well above our target range. Increased focus on our cost savings initiatives led to a moderation in our cost-to-income ratio to 53.9% from 62.3% in 2021, which is in line with our target of at most 55% for the year. We particularly exceeded our guidance for loan growth as gross customer loans increased by 31% to ₦1.24 trillion, attaining the one-trillion-mark as we continue to support our clients in achieving their financial goals. The non-performing loan ratio moved up to 2.4%, still within the acceptable limit of 5%, as the total non-performing loans increased YoY due to proactive recognition of increased credit risks in specific clients. We will continue to extend loans in a responsible manner and in line with our established credit risk management practices. The increase in our loan book was funded by a 11% YoY growth in customer deposits. The current account to savings account ratio increased to 71.7%, exceeding our target of at least 70% due to accelerated growth in low-cost deposits.



Amid the challenging macro-economic and regulatory environment, our AAA (nga) rating was reaffirmed by Fitch Ratings. Remarkably, Stanbic IBTC Bank's rating was also upgraded to AAA(NG) by GCR Ratings. As such, we remain the only Nigerian financial institution with AAA rating from a global rating agency, supported by our sound competitive position, good risk profile, robust capital, and liquidity position.

The Board declared final dividend of 200 kobo per share in line with our commitment to delivering value to all our shareholders.

We are passionate about investing in the development of the communities we operate in, especially the grassroots. We achieve this through our various corporate social initiatives, one of which is the Together4ALimb initiative where we enhance the quality of life of children with missing limbs through the provision of educational trust funds. We delivered on this in 2022 by identifying additional ten children from different parts of the country and providing them with prosthetic limbs and education trust until they turn 18 years of age, bringing the total number of beneficiaries to 55 since the initiative kicked off. Furthermore, we took on the responsibility of providing scholarships to 93 qualifying undergraduate students that have gained admission into Nigerian state or federal universities.

We demonstrated our commitment towards promoting sustainable finance and climate action during the year as 32 bank branches and seven pension locations now run on solar powered energy solutions. We have also recycled 14 tonnes of waste papers in return for tissue papers during the year,

We are sincerely grateful to our valuable customers, employees, investors, regulators, and other stakeholders for contributing to these achievements in 2022.

In 2023, we will focus on our theme for the year- 'Accelerating Growth'. We aim to accelerate growth in the areas such as digitisation, customer focused initiatives, ecosystems, and partnerships as well as value chain banking, all in a bid to deliver value to our esteemed stakeholders."

Financial highlights

Financial position

- Total assets increased by 10% to ₦3.03 trillion (December 2021: ₦2.74 trillion)
- Gross loans & advances up 31% to ₦1.24 trillion (December 2021: ₦946.26 billion)
- Non-performing loan to total loan ratio closed at 2.4% (December 2021: 2.1%)
- Customer deposits increased by 11% to ₦ 1.25 trillion (December 2021: ₦1.13 billion)
- Deposit mix moderated to 71.7% (December 2021: 66.0%) of current-and-savings-accounts deposits to total deposits.



Income statement

- Gross earnings of ₦287.53 billion, representing 39% increase (2021: ₦206.64 billion)
- Net interest income of ₦113.11 billion, up 50% (2021: ₦75.37 billion)
- Non-interest revenue of ₦127.00 billion, up 33% (2021: ₦95.77 billion)
- Total operating income of ₦240.11 billion, up 40% (2021: ₦171.15 billion)
- Profit before tax of ₦100.35 billion, up 52% (2021: ₦66.00 billion)
- Profit after tax of ₦80.81 billion, up 42% (2021: ₦56.97 billion)
- Cost to income ratio of 53.9% (2021: 62.3%)
- Return on average equity of 20.4%
- Return on average assets of 2.7%

Highlights across all three divisions

Consumer and High Net Worth Clients (“CHNW Non-Bank”) provides pension fund administration, asset management, trust and fiduciary, life insurance and insurance brokerage services to retail and high net worth clients. *For the business segment, total income amounted to ₦66.77 billion, up by 8% from prior year. Commenting on the performance, **Olumide Oyetan, Chief Executive Stanbic IBTC Pension Managers** said: “our pension and asset management businesses continued to maintain leadership positions in the market, being the largest Pension Fund Administrator (PFA) and non-pension assets manager in terms of assets under management (AUM), number of Retirement Savings Accounts (RSAs), mutual funds customers and mutual funds offerings. The business segment recorded a total AUM of ₦5.7 trillion as at year-end. Our trustees and Insurance Brokers businesses on the other hand, continued to grow momentum in their various spaces, supported by increased investment in digitisation. Stanbic IBTC Insurance Brokers booked a total of 6,386 policies as at the end of 2022 compared to 4,868 booked in same period in 2021, which represents a 31% increase YoY. Meanwhile, Stanbic IBTC Trustees Limited’s Assets under administration (AUA) increased by 25% YoY from ₦63 billion in 2021 to ₦78.5 billion in 2022.*

For the first time, we launched a talent hunt and youth development initiative tagged, “FUZE Talent Hunt” in 2022. The initiative is primarily aimed at promoting indigenous talents while helping them explore their creativity and business prowess and is in line with our objective of being a future ready organisation where talent, innovation and creativity is valued.

We also launched a series III offer of the ₦100 billion Stanbic IBTC Infrastructure Fund Programme. Within its first nine months of operation, the fund has successfully made cash distributions to eligible unit holders in three incremental instalments and successfully raised capital over the last two issuances with proceeds disbursed to impact investing. Our infrastructure fund also continues to support projects that provide real developmental impact and has invested in infrastructure deals within healthcare and energy sectors, thereby creating direct and indirect employment opportunities for the projects’ host communities.



In all, CHNW Non-Bank recorded a profit after tax of ₦27.72 billion, a slight decline of 4% from the prior year's position. This is attributable to the impact of the cost push inflation which increased the total operating cost during the period under review. It is important to note that despite the tough economic environment, total income grew YoY by 8%, which was supported by 12% growth in asset under management.

Our priorities in 2023 include growing scale by enlarging our customer base, assets under management and improving client retention through consistent client engagement and process digitization; focusing on ecosystem to drive client growth and deepen relationships."

Consumer and High Net Worth Clients ("CHNW Bank") offers retail lending, transactional banking, and card products to retail clients. The business segment reported a total income of ₦23.08 billion up 40% from prior year. Commenting on the performance, **Olu Delano, Executive Director CHNW Bank** said: *"We supported our retail clients through several digital initiatives focused on improving client experience and providing a much-needed financial cushion for individual clients. We recorded a 14% growth in retail loans while our deposits also grew by 14%. We partnered with a digital health insurance company to deploy a Micro Health Insurance product on our @ease platform for the mass customer segment.*

In a bid to promote a savings culture amongst our customers, we resumed the Reward4Savings Promo, rewarding new and existing customers for saving for a minimum period of 30 days. This resulted in a growth of over 335,998 new savings accounts opened for the 8-months duration with many customers qualifying for various rewards.

Remarkably, we maintained our number one position in delivering exceptional customer service within the retail banking space according to the 2022 Nigeria Banking Industry Customer Experience Survey by KPMG.

In 2023, we will align with the Group's theme which is to accelerate growth through digitisation in terms of customer acquisition and digital lending products"

Business and Commercial Clients (BCC) segment provides broad based client solutions for a wide spectrum of small and medium sized enterprises as well as large commercial businesses. The business segment recorded a total income of ₦47.18 billion, up 43%, from ₦38.32 billion in the prior year. Commenting on the segment's performance, **Remy Osuagwu, Executive Director Business and Commercial Clients** said: *"We are pleased with the progress that we have made in the past year in terms of our commitment towards serving our clients with excellence, deepening our relationships with them, growing our client base, and exceeding our financial expectations. BCC reported growth in profit after tax of ₦12.72 billion*



from ₦6.92 billion in the prior year. The business benefitted from increased income from loan growth, improved average yield on assets and increased transaction volumes.

During the year, we launched a thematic campaign inviting SMEs to take advantage of our innovative solutions, sector expertise, strong heritage, footprint across the African continent and global partnerships to grow their business(es). The campaign sought to peel the curtains and show that the growth of all businesses is driven by collaboration. We also organised the 2022 Stanbic IBTC Africa China Trade Expo with the purpose of driving engagement between stakeholders, partners, government agencies and clients operating within the sector.

We received several accolades based on our efforts and client approach all through the year. Stanbic IBTC Bank was named the Agricultural Bank of the year according to the World Business Outlook Awards 2022. We were also named the Best SME Bank in Nigeria by the World Economic Magazine Awards 2022. Other notable awards include the Euromoney leadership Awards for SME Banking and the Brandcom Award for the most outstanding SME friendly bank of the year.

We are grateful to our customers for the opportunity to serve them and we acknowledge the collaborative efforts of our teams across the entire service value chain in achieving these strides. We are determined to sustain these achievements in 2023 and beyond as attaining customer satisfaction is a journey and not a destination.”

Corporate and Investment Banking Clients (“CIB”) (CIB provides banking and advisory services to larger corporates, financial institutions, and international counterparties): The segment recorded an increase of 63% in total income to ₦135.37 billion. **Eric Fajemisin, Executive Director, Corporate and Investment Banking** said: “Despite the challenges we experienced, we did not relent in our commitment to serve our customers. CIB’s gross loans grew by 40% to ₦814.29 billion as we extended tenored facilities responsibly to support clientele expansion requirements while non-performing loan ratio closed at 1.2% for the year. Similarly, deposits grew by 11% to ₦540.33 billion.

We won both domestic and international awards during the year in recognition of our continued leadership in Investment Banking, Global Markets, and Custody businesses, some of which include Best Debt House in Nigeria by EMEA Finance, FMDQ’s Dealing Member of the Year Award and the Fixed Income Liquidity Provider Award. Our Nominees business also continues to gain global recognition and for the 14th time in a row, it was awarded the Best Sub-Custodian in Nigeria by Global Finance.

Our exceptional customer service is evidenced by our number one ranking according to the 2022 Nigeria Banking Industry Customer Experience Survey by KPMG. According to the



report, the Stanbic IBTC CIB segment moved five places up from 6th position in 2021, to 1st position in 2022.

CIB's profitability improved by 74% year-on-year due to growth in both net interest income and non-interest revenue during the period. Net interest income growth was supported by increase in loan yields and volume. The increase in non-interest revenue is attributable to the reasonable growth in trading revenue. This was also supported by increased advisory fees from the Investment Banking space, fees from new loan bookings and commission on increased trade assets.

In 2023, we will continue to support our clients with appropriate credit facilities and provide exceptional customer service, with the aim of client retention and acquisition”

Capital and liquidity

The Group maintained adequate level of capital during the period. The Group's total capital adequacy ratio closed at 21.2% (Bank: 16.9%), which is significantly higher than the 11% minimum regulatory requirement.

The Group maintained a strong and diversified funding base throughout 2022. The Group's liquidity ratio closed at 85.04%, which is above the regulatory minimum requirement of 30% and indicates the Group's sound position to continue meeting its liquidity obligations in a timely manner.

If you have any query, please do not hesitate to contact the undersigned on the numbers listed below:

FOR FURTHER INFORMATION:

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About Stanbic IBTC Holdings PLC



Stanbic IBTC Holdings is a member of Standard Bank Group. Standard Bank Group is Africa's largest banking group ranked by assets and has been in business for over 160 years.

With a controlling stake of 67.55% in Stanbic IBTC Holdings PLC, Standard Bank Group employs approximately 50,000 people (including Liberty) worldwide; operates in 20 African countries including South Africa and has operations in five key financial centres outside Africa, including London, Sao Paulo, Dubai, New York and Beijing.

Stanbic IBTC Holdings' strategy is to position itself as the leading end-to-end financial services solutions provider in Nigeria. The Group offers expert services in three business segments - Consumer and High Net Worth Clients: Business & Commercial Clients and Corporate and Investment Banking Clients.

With a team of experienced and customer-focused staff, Stanbic IBTC offers services which include specialised finance, trade finance, stockbroking, trustee services, global markets, custodial services, foreign exchange, asset and pension management, insurance brokerage, life insurance, lending, savings, and investment products.

More information can be found at <https://www.stanbicibtc.com/>