

STANBIC IBTC HOLDINGS PLC FULL YEAR 2023 FINANCIAL RESULTS PRESENTATION

April 2024



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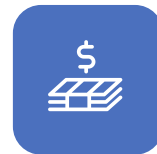
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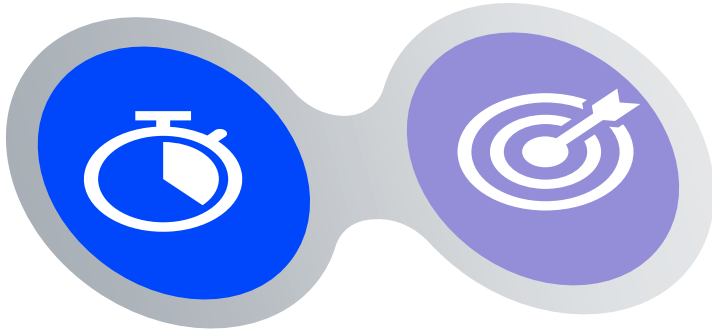


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Background on the operating environment

Strategic Focus

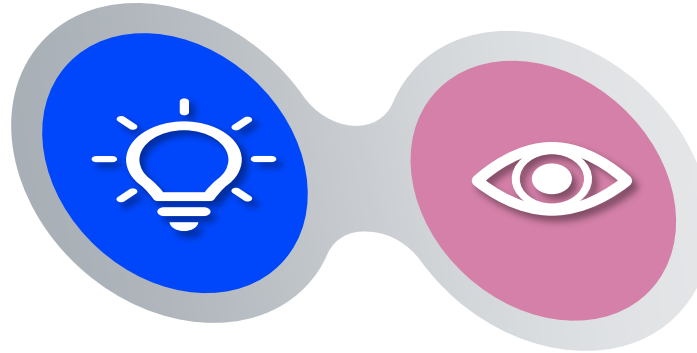
Mission



The reason we exist

Committed to solutions that drive your progress.

Vision



What we aspire to be

The leading end-to-end financial solutions provider in Nigeria through innovative and customer focused people.

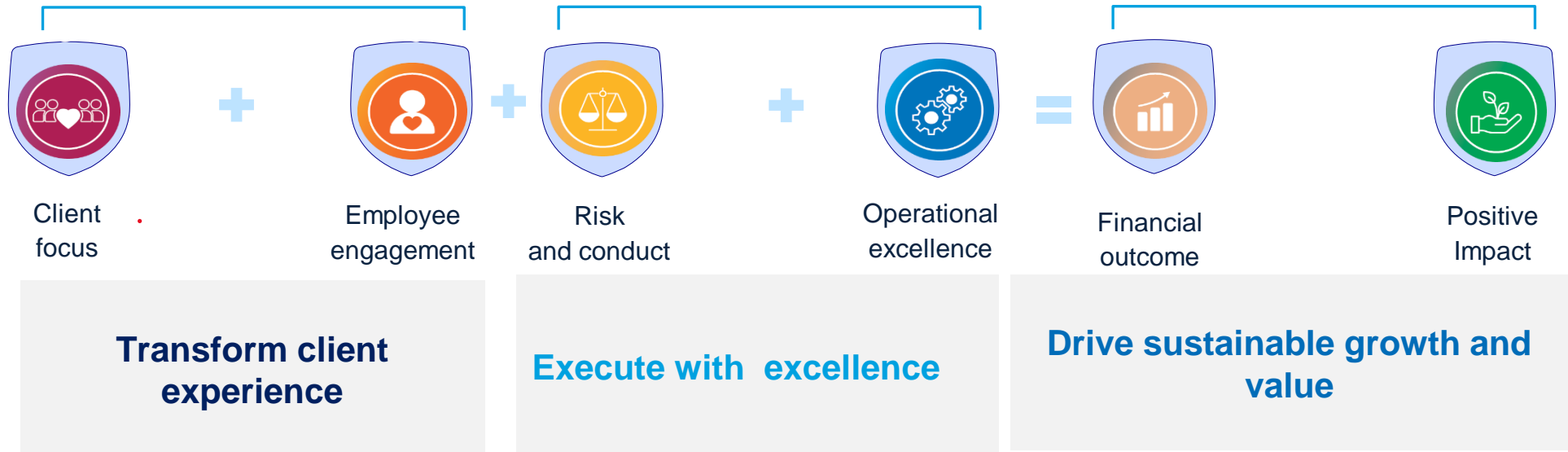
Strategic Intent



To be within the top 5 in market share, ROE and service across our major client segments-Personal and Private Banking, Business and Commercial Banking, Corporate and Investment Banking and Insurance and Asset management by 2025.

What we need to do to deliver our purpose

Our strategic priorities:



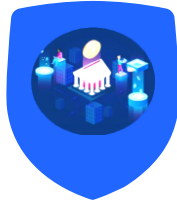
Business Structure

Corporate and Investment Banking



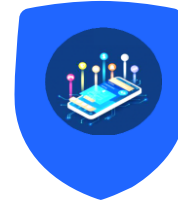
Corporate and investment banking services to larger corporates, financial institutions, government parastatals, and international counterparties.

Business and Commercial Banking



Broad based client solutions for a wide spectrum of small and medium sized businesses as well as large commercial enterprises.

Personal and Private Banking



Banking services to retail and high net worth clients.

Insurance and Asset Management



Pension fund administration, asset management, trust and fiduciary, life insurance and insurance brokerage services

CORPORATE FUNCTION

*Corporate Function:

- Real Estate Services
- Company Secretary
- Country Head Legal Services
- Information Technology
- Security
- Procurement

- Travel Desk

Group Highlights

STANBIC IBTC Group at a glance as at 31 December 2023

5.35mn Group Clients

814 ATMs

15 Mutual Funds

1 Specialised Fund

2 mn+ Retirement Savings Accounts

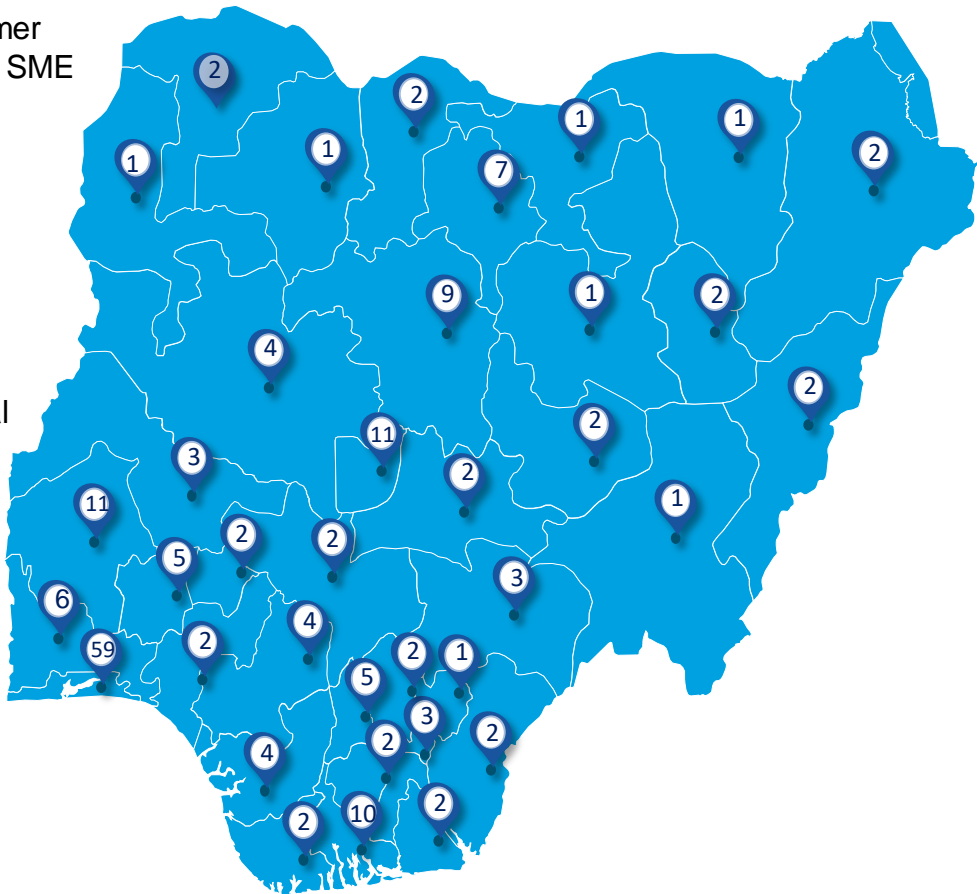
Rated Number 1 (Customer Service) in the Retail and SME Client Segments -KPMG

₦7.3 trn Assets Under Management

1.65mn Clients Onboarded Across Digital Platforms.

Presence in 36 States and the FCT.

181 Office Locations



National Long-Term	AAA (nga)
National Short-Term	F1+ (nga)



BANK

National Long-Term	ngBBB
National Short-Term	ngA-2
Outlook	Stable
Issuer Long-Term	B-
Issuer Short-Term	B



National Long-Term	AAA+ (ng)
National Short-Term	A1+ (ng)
Outlook	Stable

Our **SUV** strategy theme in 2024

Scale

Growing scale across our markets

User Experience

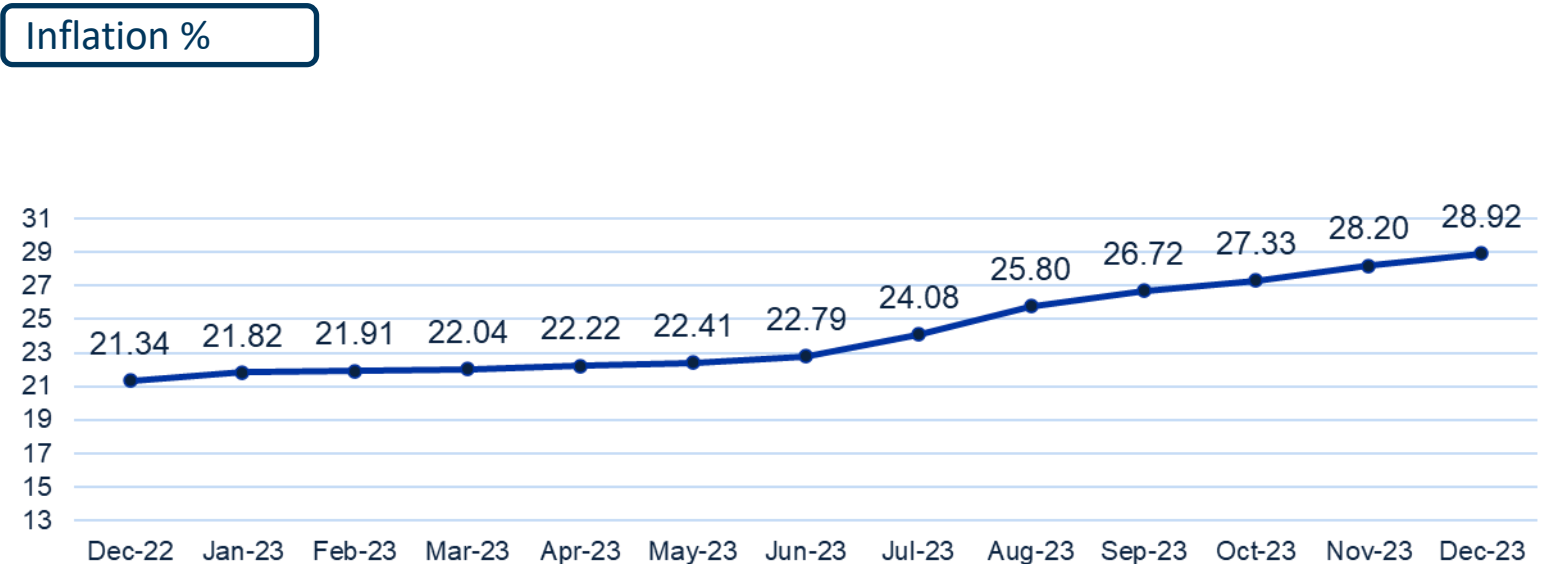
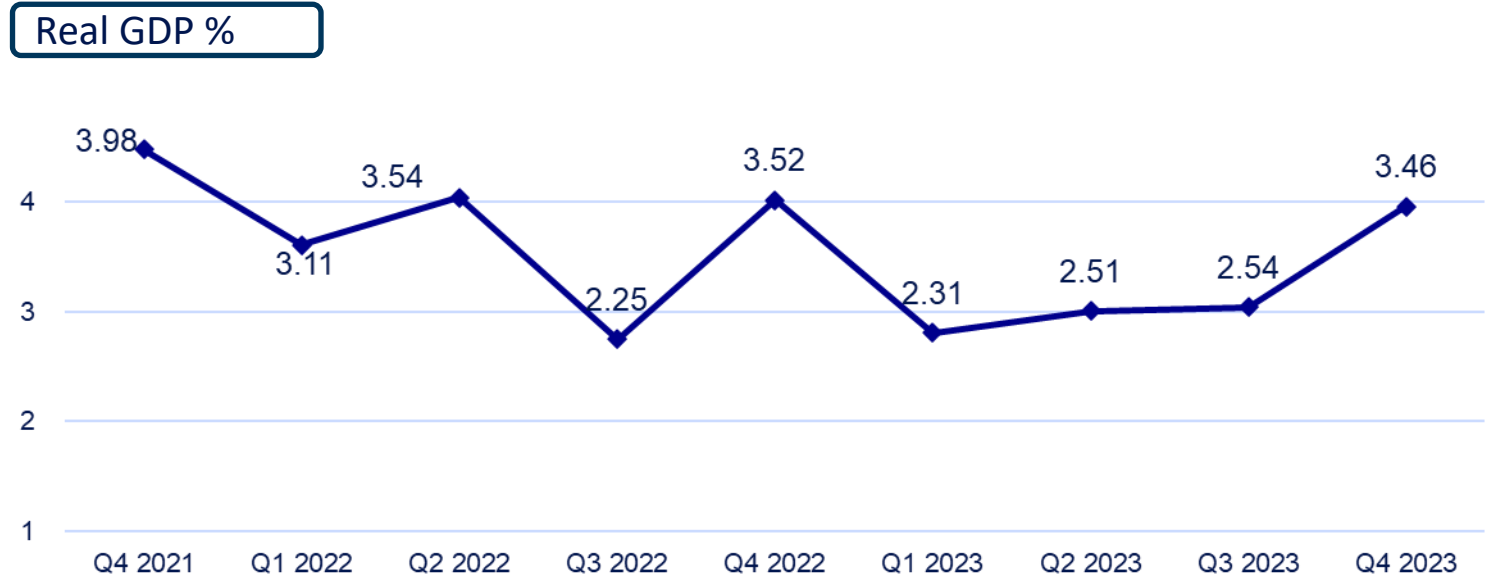
Enhancing customer experience

Velocity

Accelerating transaction volumes across channels

Macro Economic and Operating Environment

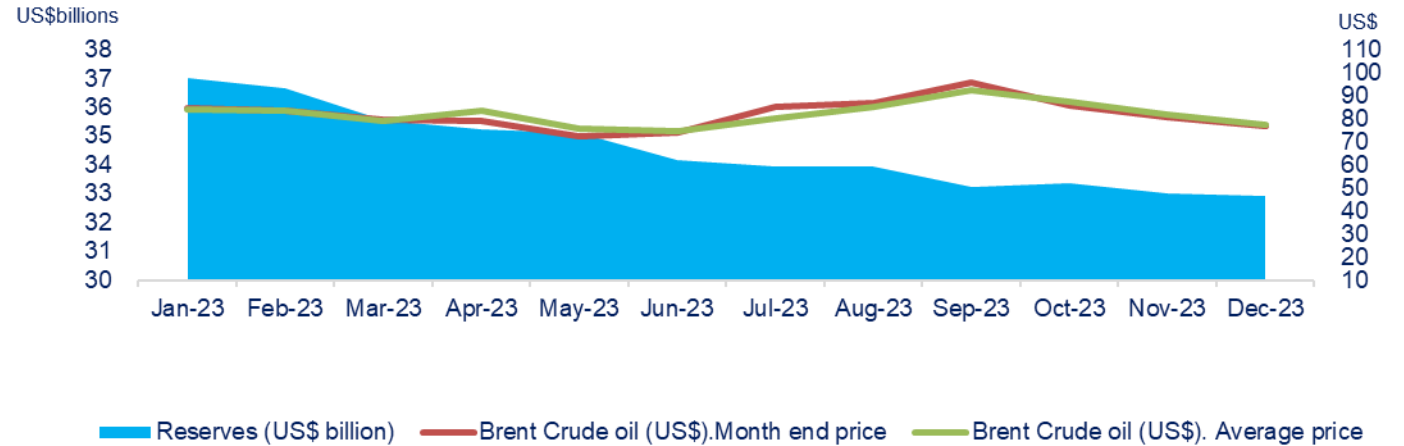
- ❖ The Nigerian economy grew by 3.46% YoY in Q4 2023, following the growth of 2.54% and 2.51% recorded in Q3 and Q2 2023, respectively. GDP growth during the year was driven by the services sector, contributing 56.6 % to the aggregate GDP in Q4 2023, the oil sector also grew by 12.96% in Q4 compared to Q3 2024. Consequently, annual GDP growth rate in 2023 stood at 2.74% compared to 3.10% reported in 2022.
- ❖ The country's external reserves continued to decline in Q4 2023, closing at \$32.91bn from \$37.09bn recorded at the end of Q4 2022. The foreign reserves stood at \$33.83bn by end of March 2024.
- ❖ Headline inflation rose to 28.92% YoY in December 2023, a 7.58 percentage point increase from 21.34% in December 2022. The increase was across the food and non-food baskets due to higher food and energy prices. The current Headline inflation is 31.7%



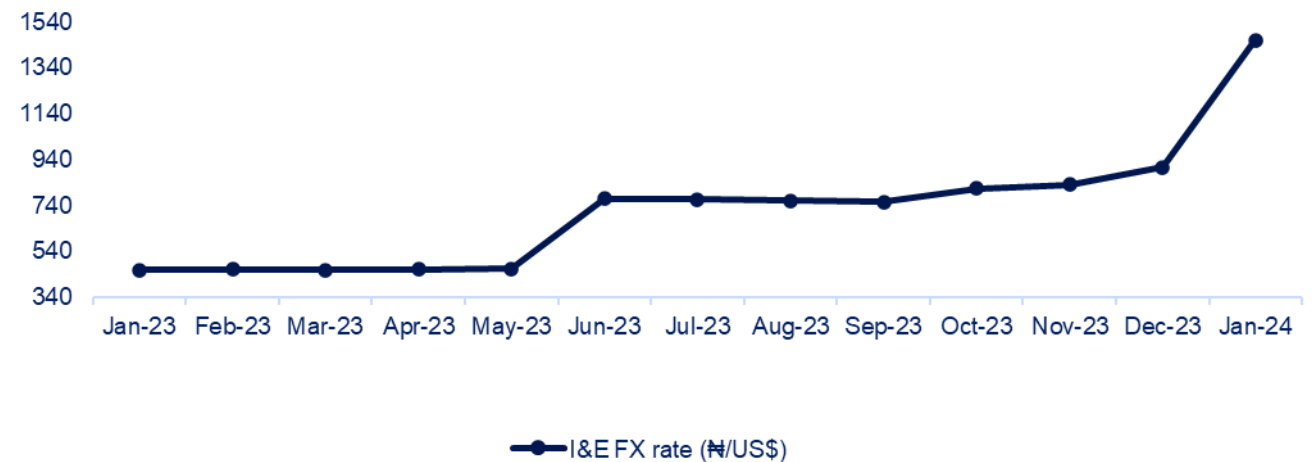
Macro Economic and Operating Environment

- ❖ Oil price closed at \$77.04bbl in December 2023 compared to the closing price of \$83.67bbl in December 2022. This was driven by slowing global oil demand and growing non-OPEC+ supply strength. The oil price as of March 2024 closed at \$87.48bbl.
- ❖ The Central Bank of Nigeria (CBN) Monetary Policy Committee (MPC) increased the Monetary Policy Rate at various points during the year, closing at 18.75%. According to the CBN, the increase in MPR was necessary to tame inflationary pressures and reduce the supply of money in the economy. The CBN has met twice in 2024, the MPR has been increased to 24.75%
- ❖ The USD/NGN exchange rate depreciated in the IEFX window. The official rate depreciated by above 100% from ₦448.55/\$1 at the beginning of the year to ₦907.11/\$1 in December 2023. In recent times naira has depreciated to ₦1300.43/\$1.
- ❖ Average daily oil production closed at 1.42mbpd in December 2023, an increase of 5% from 1.37 mbpd recorded in Q4 2022. The average daily oil production closed at 1.48mbpd in February 2024

Brent crude oil price and reserves



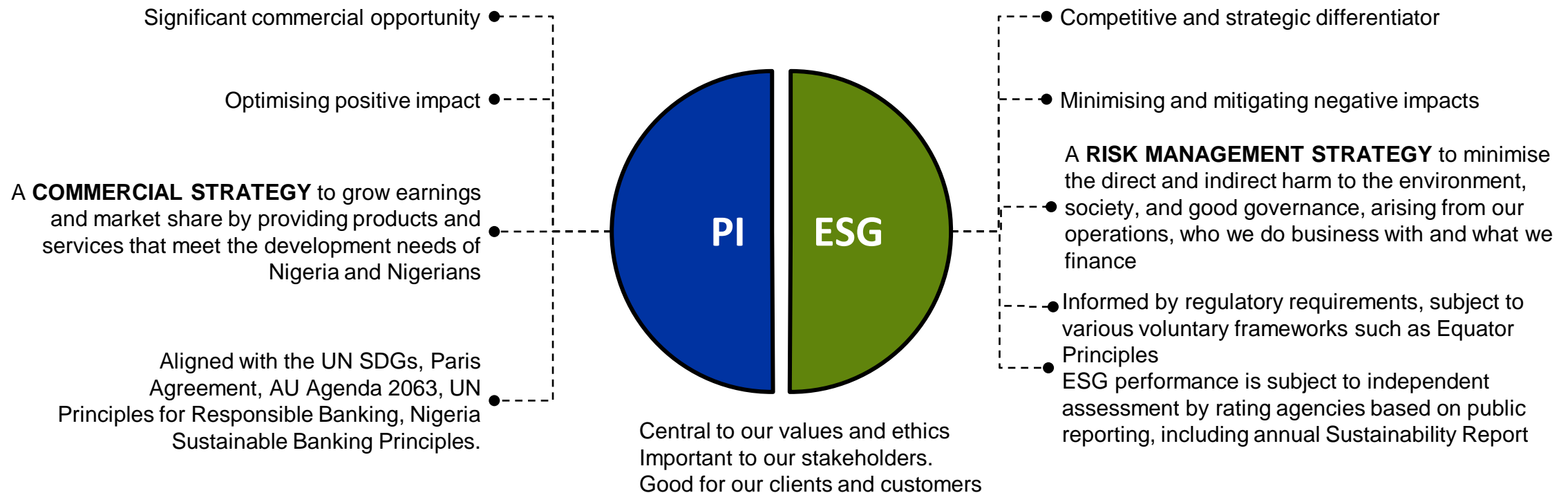
Exchange rate movement



Sustainability, SEE and ESG

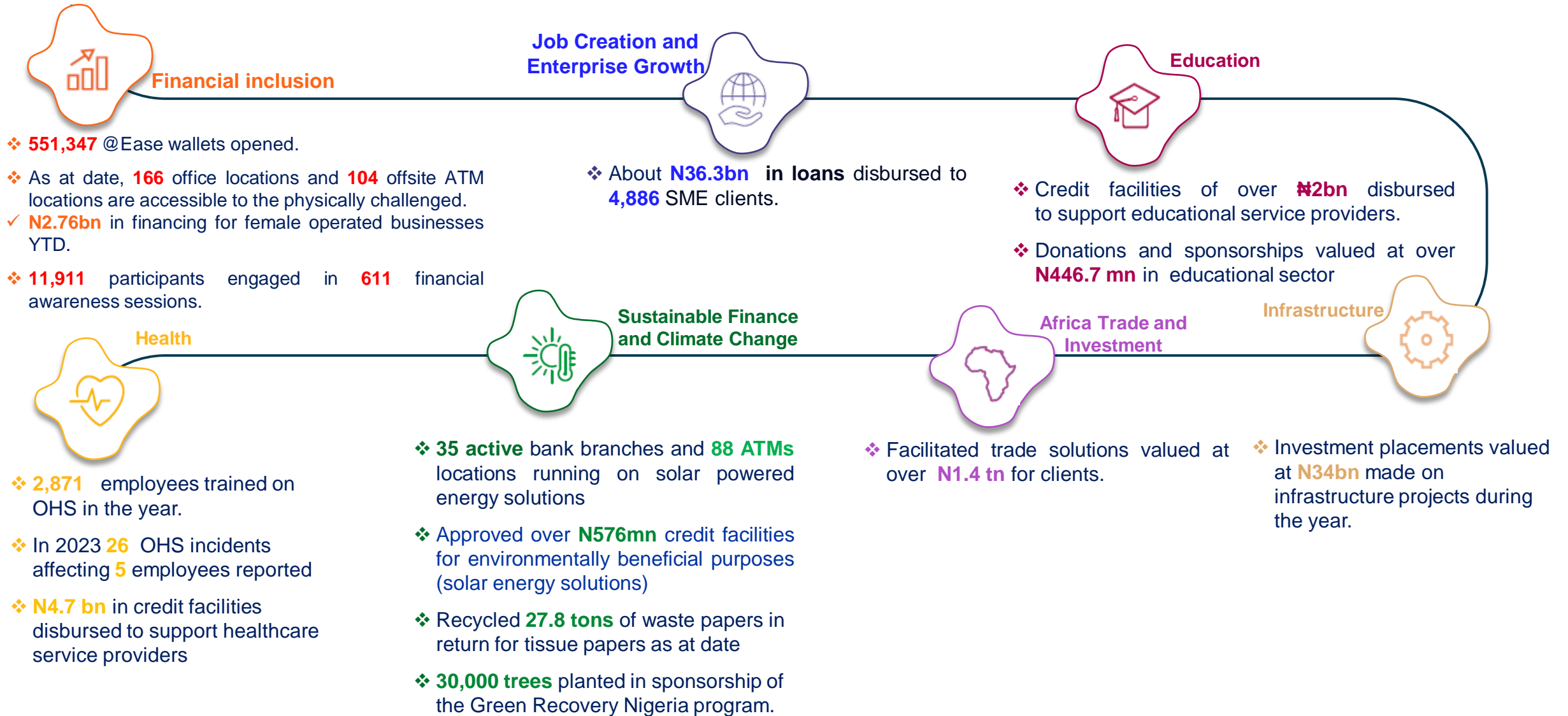
Committed to solutions that drive your progress.

Given our purpose of being committed to solutions that drive your progress, our sustainability strategy focuses on four core pillars: **Building environmental resilience**, **Enhancing social relationships**, **Expanding business model innovation** and **strengthening leadership for sustainability governance** which incorporates sustainability as a commercial strategy and best practice of **ESG risk** management for delivering **Positive Impacts (PI)**.



Positive SEE impact is what we aim to achieve, ESG is how we will achieve it.

2023 Positive Impact Highlights



2023 ESG Highlights

Environmental and social risks in lending

- 100% of total commercial lending transactions approved so far in the year were screened for E and S risks

Our people

- Various health and Safety trainings have been held for 2,871 employees so far in the year

Incorporating Environmental Social and Governance (ESG) factors in investments

- ESG assessment framework has been applied to 39 fixed income commercial issuances YTD

Sustainability governance reviews

- Two (2) Internal Audit review covering sustainability related to processes have been completed YTD



Procurement and third-party contracting

- All vendors onboarded in reporting period were assessed for E and S risks.
- Onboarded vendors also executed a code of conduct which stipulates minimum standards relating to ethics, anti-bribery and corruption, human rights, occupational health and safety, compliance with environmental and social laws

Ethics and conduct

- E-learning compliance trainings have been deployed for staff, covering Anti-Bribery and Corruption, Business Conduct and Client Conduct.

Environmental footprint management

- Energy consumption (from diesel and public mains) across the Group reduced by 4.4% year-on-year.
- Stanbic IBTC planted 30,000 trees in support of the Green Recovery Nigeria Initiative

Sustainability Governance

- Stanbic IBTC was officially admitted into the Sustainability Standards and Certification Initiative (SSCI) during the reporting period
- The sustainability e-learning course launched
- IFRS S1 and S2 Standards Adoption: Plans ongoing for the commencement of transition process from Q1 2024



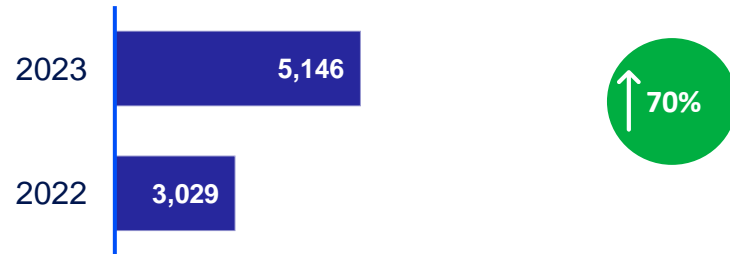
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Financial Review FY 2023

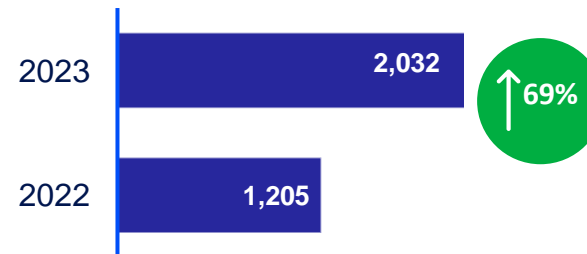
Summary of FY 2023 Performance

Healthy growth in earning assets for sustainable financial outcome

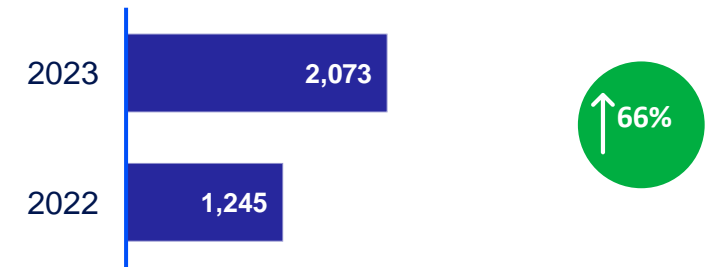
TOTAL ASSETS (₹ billion)



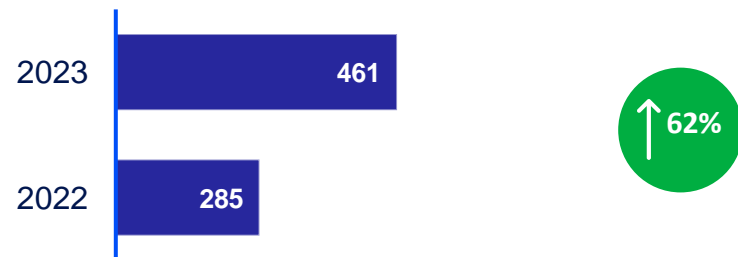
NET CUSTOMER LOANS (₹ billion)



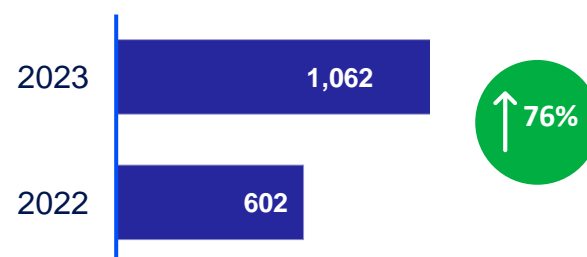
CUSTOMER DEPOSITS (₹ billion)



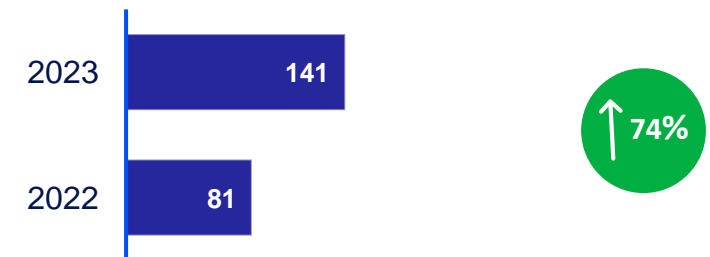
GROSS EARNINGS (₹ billion)



EARNINGS PER SHARE (₹ billion)



PROFIT AFTER TAX (₹ billion)



KEY RATIOS

Return on assets



2023: 3.6%
2022: 2.7 %

Net interest margin



2023: 4.6%
2022: 4.2%

Gross NPL ratio



2023: 2.35%
2022: 2.4%

Credit loss ratio



2023: 0.8%
2022: 0.9%

Cost-to-income ratio



2023: 47.0%
2021: 53.8%

CASA ratio



2023: 72.0%
2022: 71.7%

Return on equity

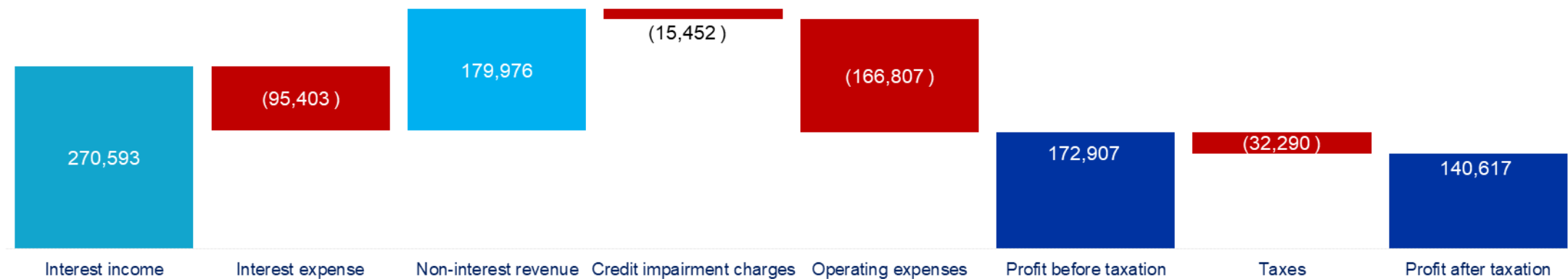


2023: 30.6%
2022: 20.3%

Overview of Income Statement for FY 2023 VS FY 2022

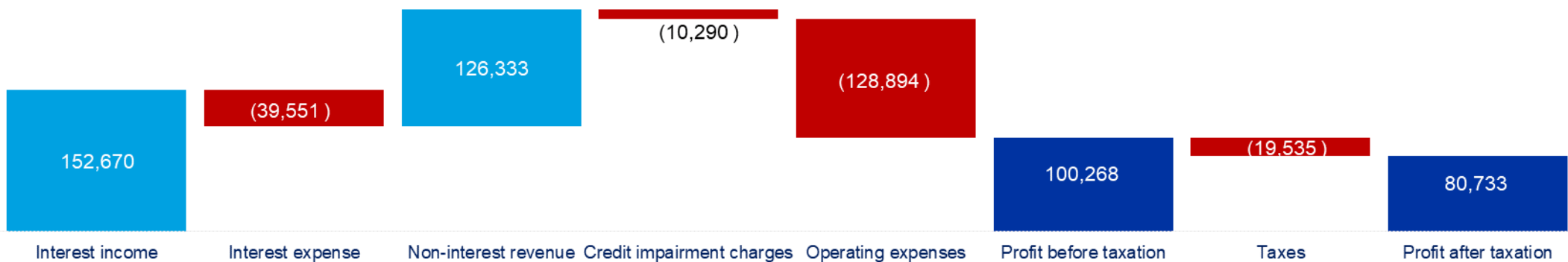
FY 2023

₹ million



FY 2022

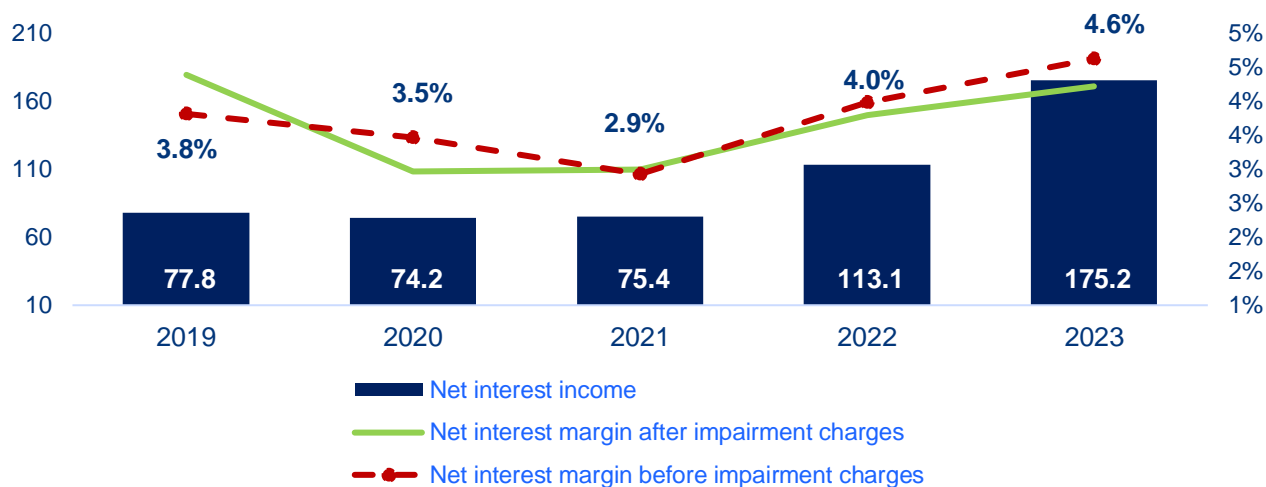
₹ million



Net Interest Income

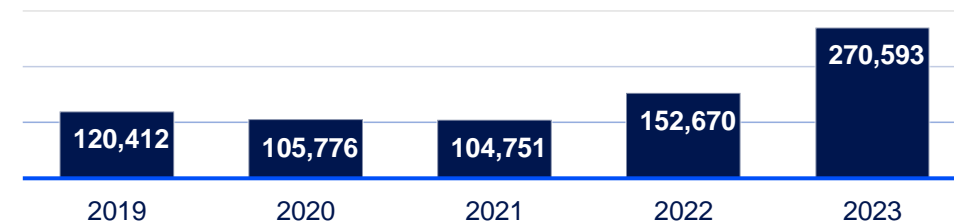
Continued growth in net interest margin resulting from loan repricing and funding mix optimisation

₹ billion



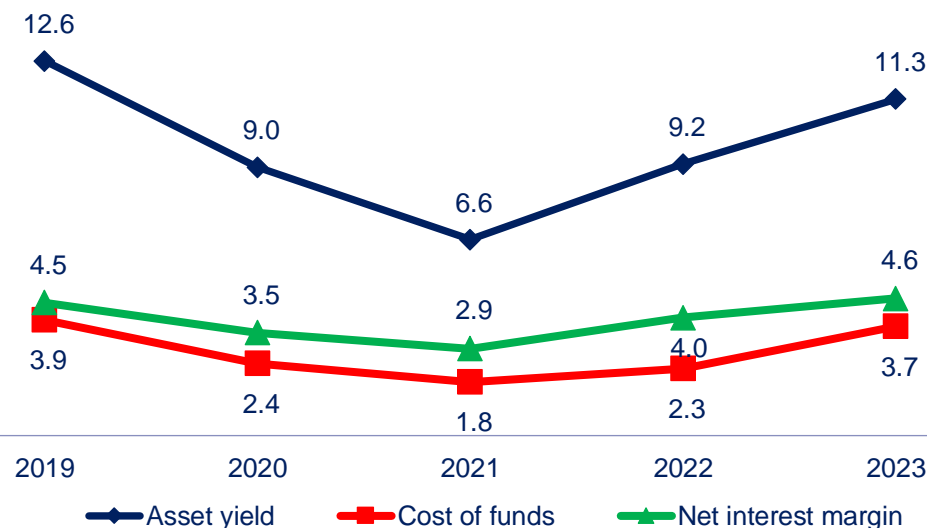
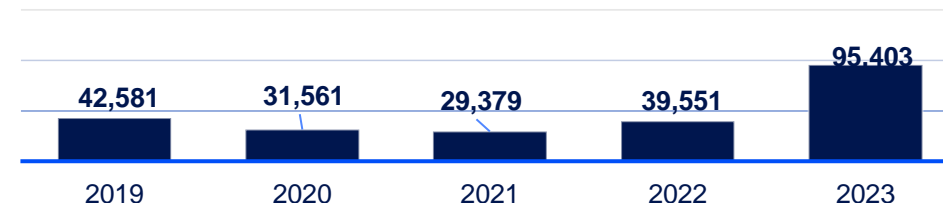
₹ million

Interest based revenue



₹ million

Interest expense

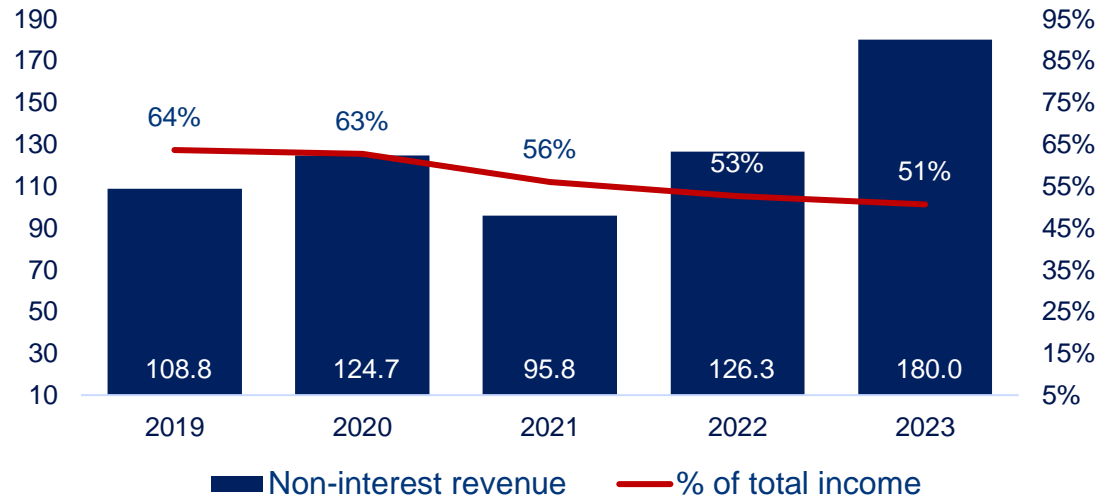


- ❖ Interest income grew by 77% to ₹270.6 billion in FY 2023 from ₹152.7 billion achieved in FY 2022 attributable to increase in interest income earned on both loans and advances to customers and investment securities.
- ❖ Interest expense also increased by above 100% following the deposit repricing, on the back of increased market rates; resulting in increased cost of funds to 3.7% from 2.3% in the prior period.
- ❖ Net interest income increased by 55% as the growth in interest expense had minimal impact compared to the increase in interest income.
- ❖ Consequently, the increase enabled an improvement in net interest margin* to 4.6% (FY 2022: 4.0%).

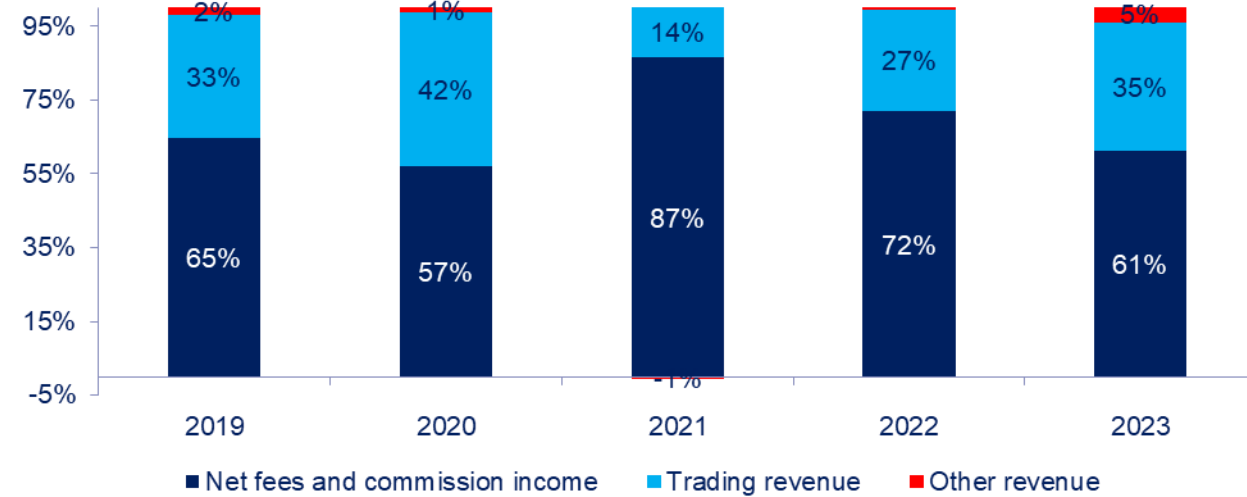
*Net interest margin =
$$\frac{\text{Net interest income}}{\text{Total assets excluding derivative assets}}$$

Non-Interest Revenue (NIR)

₦'billion

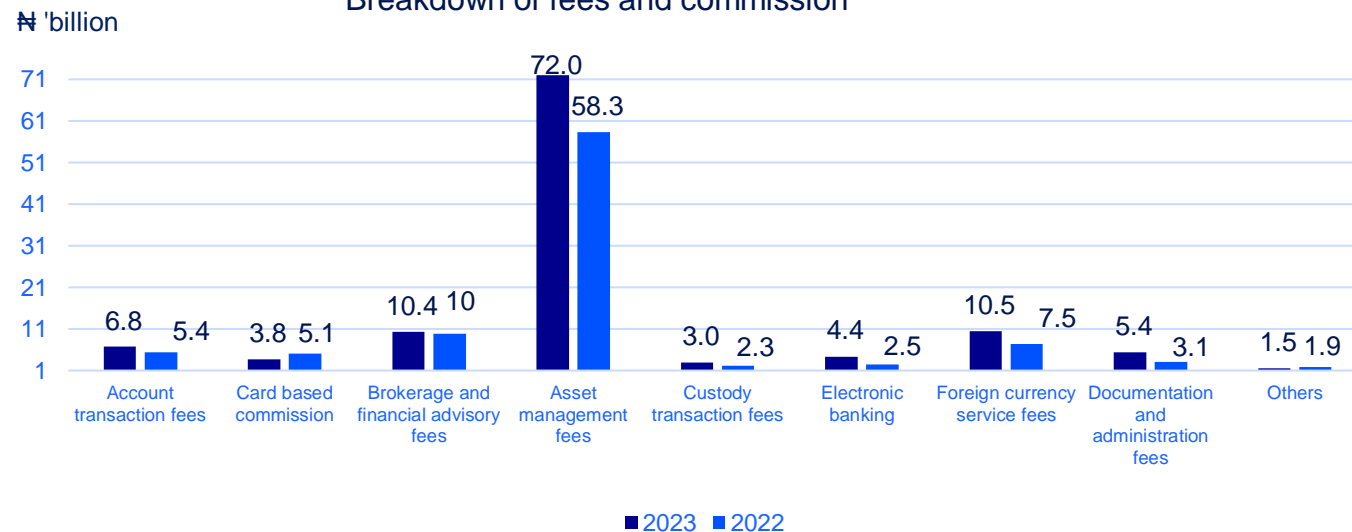


Breakdown of non-interest income by type



❖ NIR increased by 42% driven by growth in both fees and commission income and trading revenue. The growth in net fees and commission is following a year-on-year growth in assets under management fees, fees earned from new loan bookings, and improved Investment Banking fees.

Breakdown of fees and commission

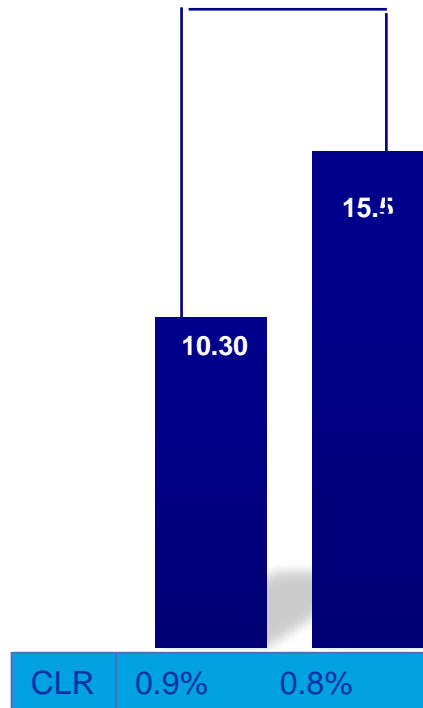


₦'billion

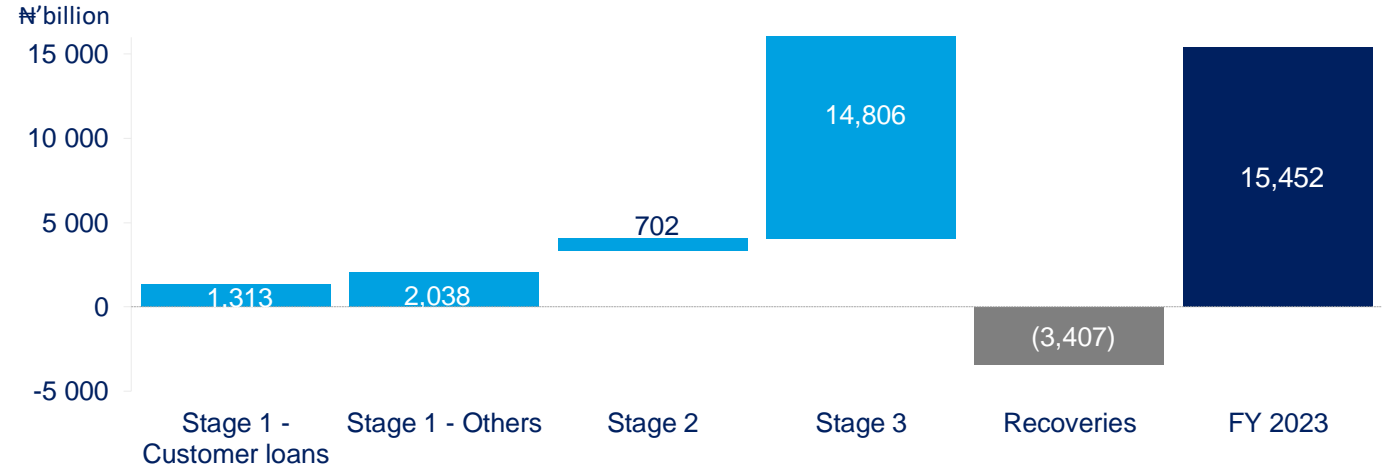


Income Statement - Credit Impairment

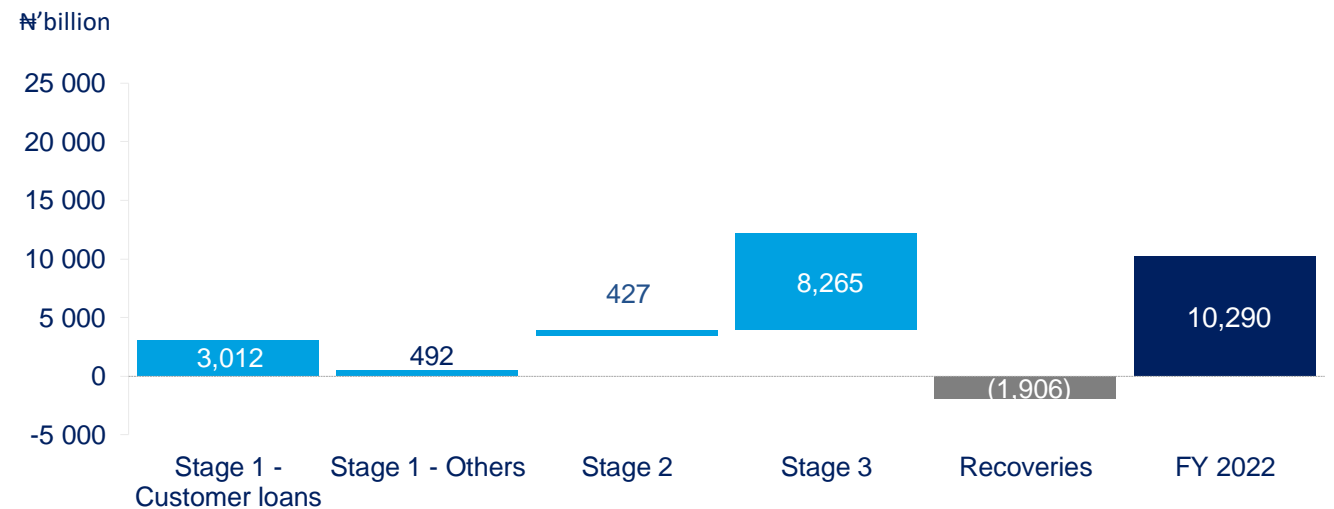
- ❖ Credit impairment on financial assets was a charge of ₦15.5 billion in FY 2023, compared to ₦10.3 billion for same period in prior year.
- ❖ The impairment charge was due to the impact of expected credit loss (ECL) charges on new loans booked and additional provisioning on existing NPL's.
- ❖ Impairment on Stage 2 and 3 loans increased due to additional impairment booked on delinquent names and impact of movement of the FCY books
- ❖ Credit loss ratio however reduced to 0.8% in FY 2023.



FY 2023

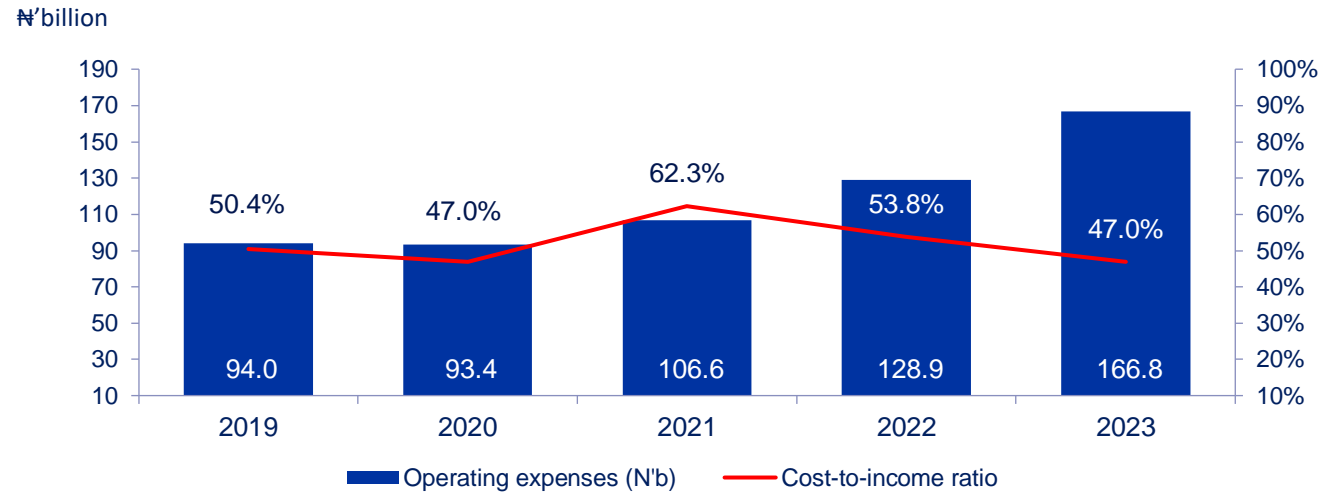


FY 2022



Operating Expenses and Taxation

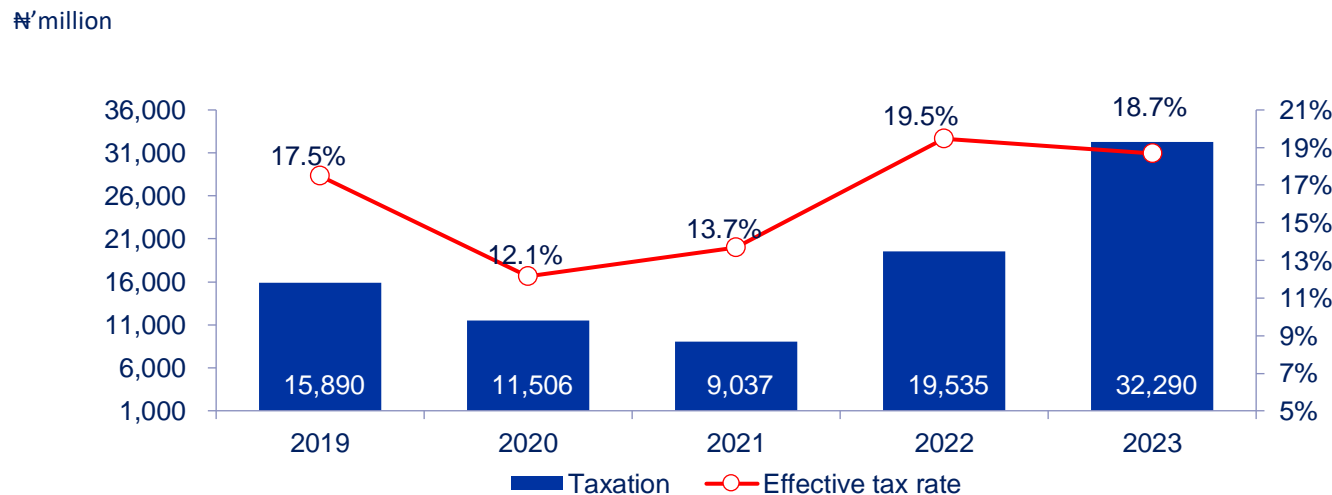
Operating Expenses



❖ Operating expenses increased by 29% year-on-year.

❖ The increase in operating costs arose from staff costs, regulatory induced charges such as AMCON levy and deposit insurance premium. Also, the impact of currency revaluation and the removal of petrol subsidy led to increased information technology costs, premises and maintenance costs as well as energy costs.

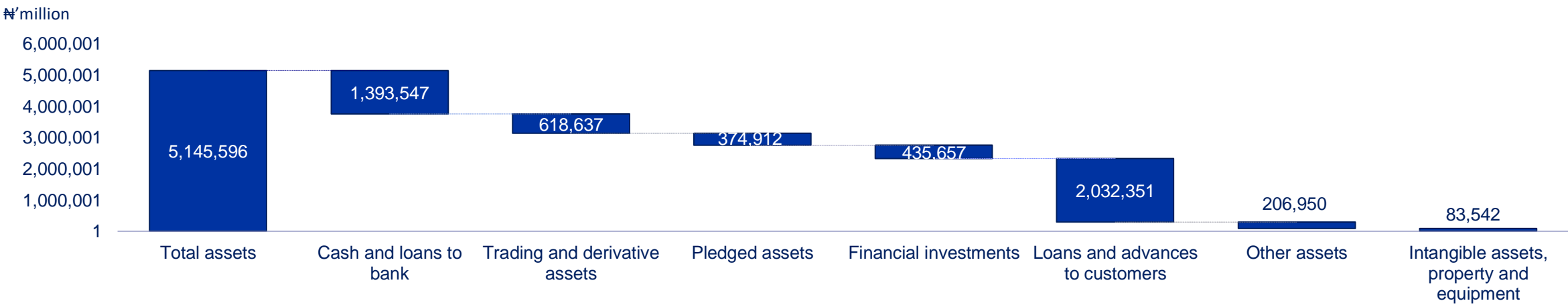
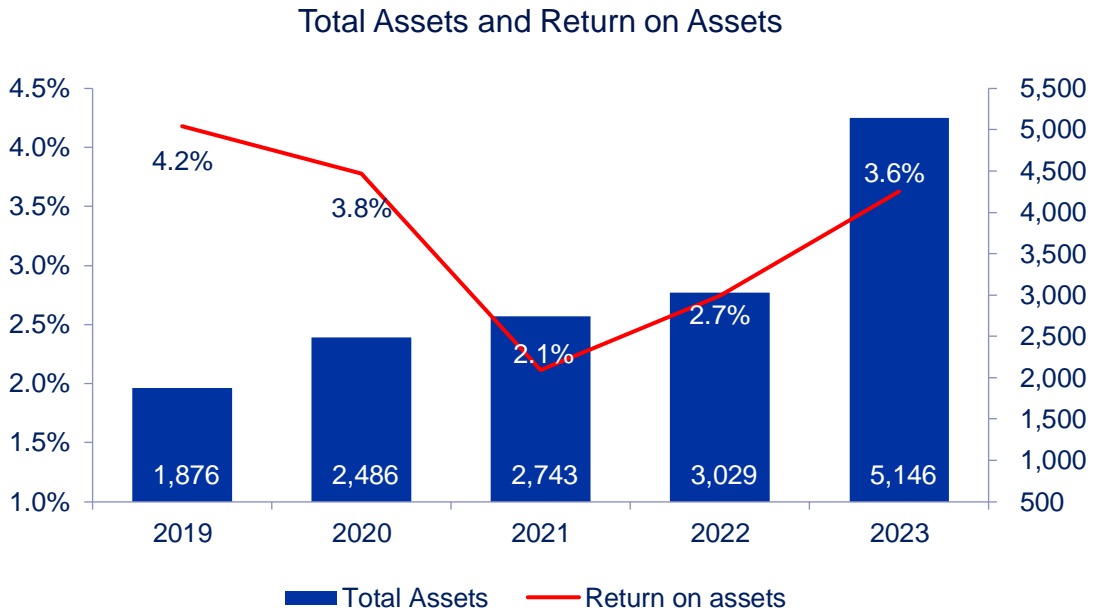
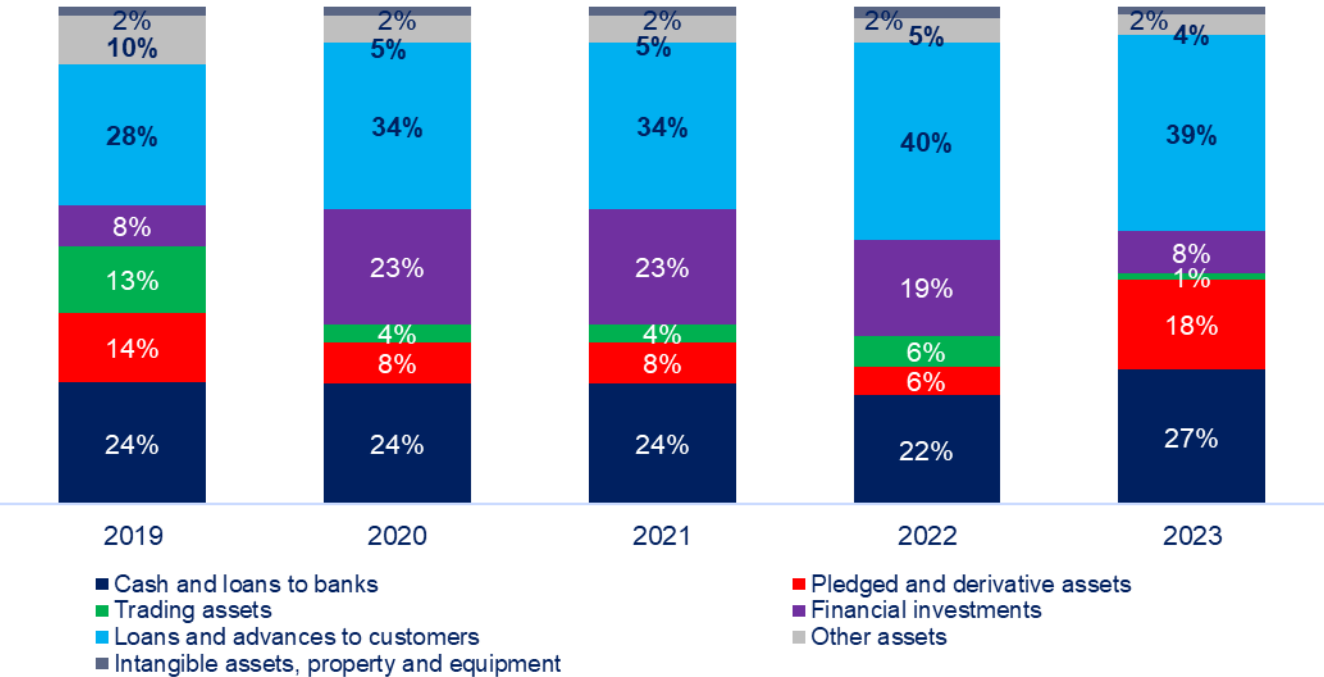
Taxation



❖ Income grew at a faster rate compared to expenses, leading to an improved cost-to-income ratio of 47% compared to 53.8% recorded in FY 2022.

❖ Effective tax rate decreased to 18.7% from 19.5% in FY 2022 due to devaluation of naira during the year which resulted in unrealized exchange gains which are not liable to tax based on the Nigeria tax laws.

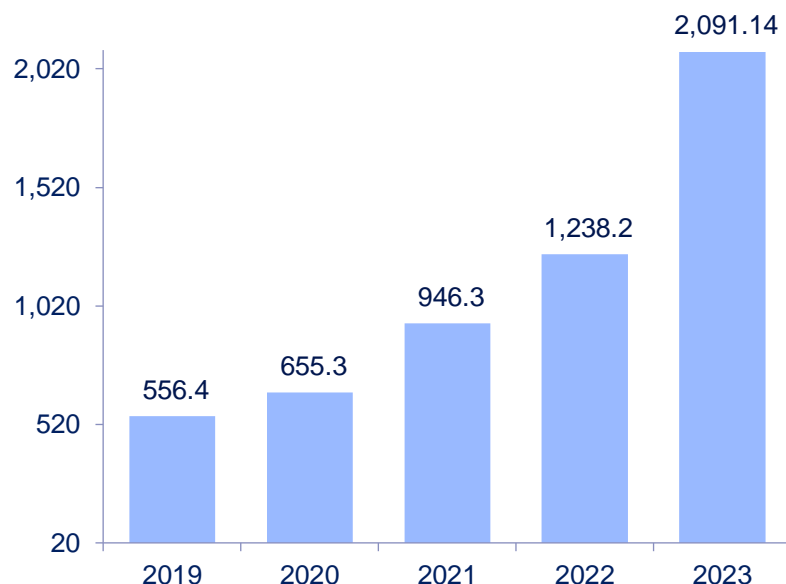
Total Assets



Gross Loans and Advances

₦'billion

Gross loans and advances



❖ PPB, BCB and CIB loan books grew by 45%, 35% and 86% respectively year-to-date.

❖ LCY loan book grew by 38%, while the FCY loan book grew by 62%.

❖ The combined gross loans portfolio grew by 69% year-to-date as we continued to support our clients' businesses and aspirations.

❖ Loan-to-Funding Ratio for FY 2023 averaged 83.38%.

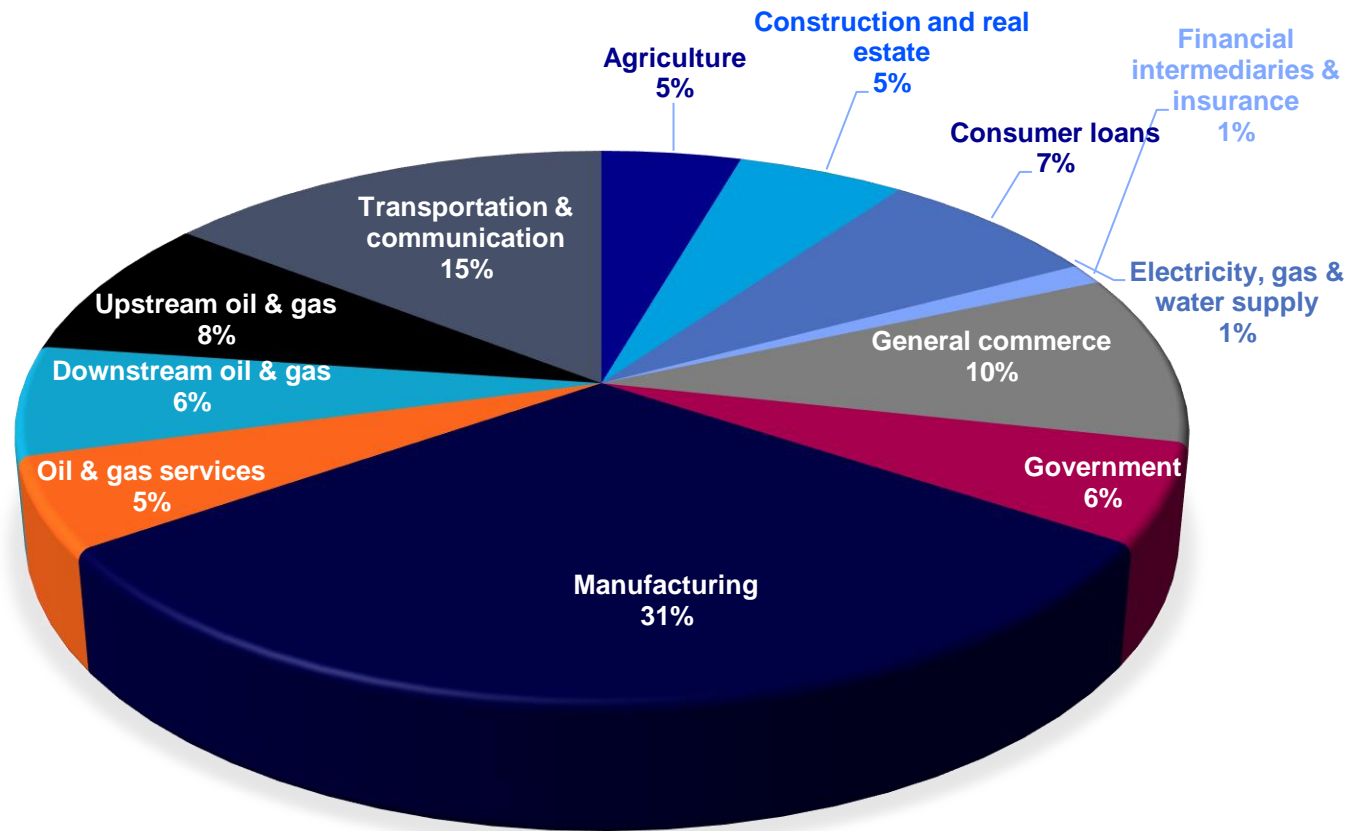
Breakdown of gross loans and advances by business unit

	FY 2023			FY 2022		
	LCY loans	FCY loans	Total loans	LCY loans	FCY loans	Total loans
	₦billion	₦billion	₦billion	₦billion	₦billion	₦billion
PPB Clients	122	7	129	87	2	89
Mortgage loans	15	-	15	5	-	5
Instalment sale and finance leases	2	-	2	2	-	2
Overdrafts	3	3	6	5	1	5
Term loans	102	4	106	76	1	77
BCB Clients	239	211	451	229	106	335
Mortgage loans	-	-	-	-	-	-
Instalment sale and finance leases	35	41	76	37	7	43
Overdrafts	68	1	69	52	-	52
Term loans	136	171	306	140	99	239
CIB Clients	428	1,083	1,511	315	499	814
Instalment sale and finance leases	12	-	12	12	-	12
Overdrafts	65	1	65	28	-	28
Term loans	351	1,082	1,434	275	499	774
Gross loans	790	1,301	2,091	631	607	1,238
	38%	62%	100%	51%	49%	100%

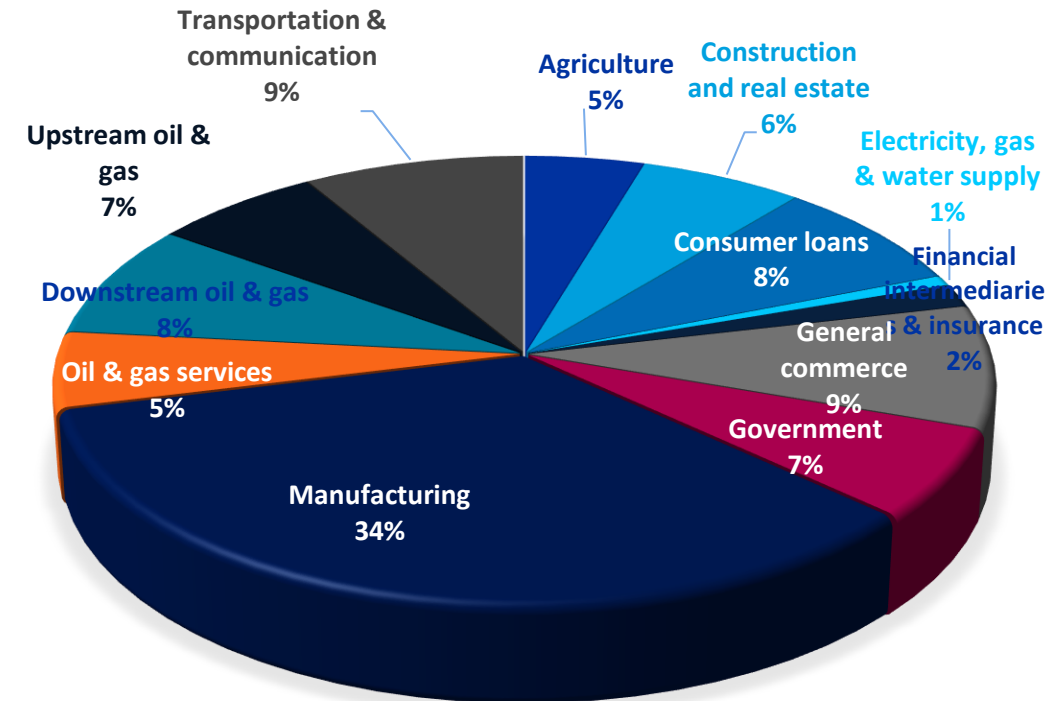
Loans and Advances by Sector

Responsible lending to resilient non-cyclical sectors

FY 2023



FY 2022



Loan Performance

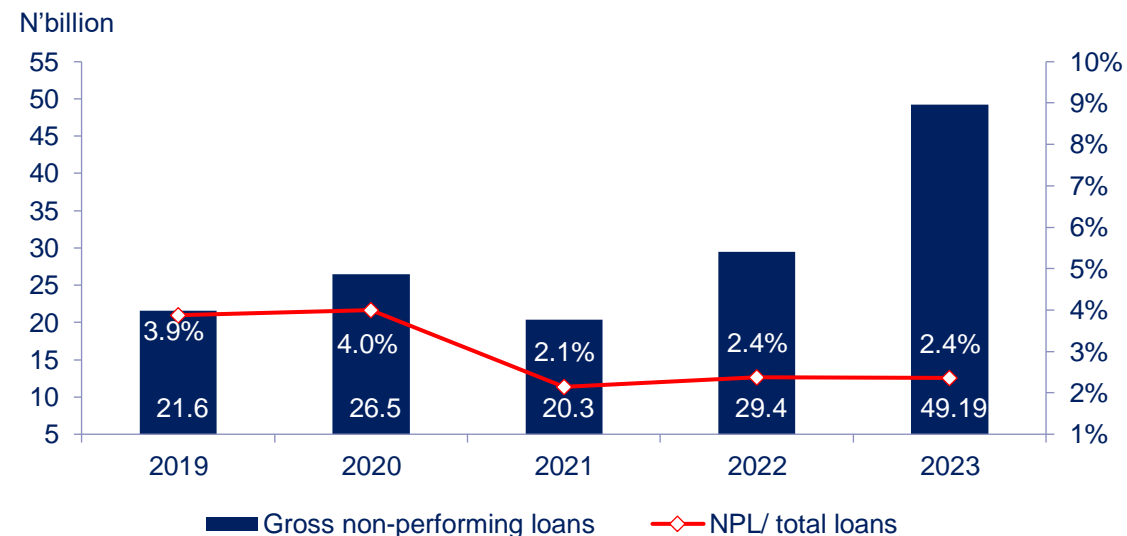
Increase in non-performing loans reflecting movements in expected macro-economic conditions

Non-Performing Loans

	FY 2023		FY 2022	
Sector	% of Total NPL	NPL ratio (%)	% of Total NPL	NPL ratio (%)
Agriculture	2%	0.9%	6%	2.9%
Construction and real estate	26.9%	11.7%	34%	12.6%
Consumer credit	17.2%	6.2%	18%	5.4%
General commerce	12.3%	2.9%	14%	3.7%
Government	0.0%	0.0%	0.0%	0.0%
Manufacturing	1.7%	0.1%	0.0%	0.0%
Oil & gas services	33.2%	14.6%	25%	10.7%
Oil & gas Downstream	6.9%	2.5%	3%	1.0%
Transportation & Communication	0%	0%	0%	0%
Grand Total	100%	2.35%	100%	2.4%

	FY 2023 (₦'million)	% of total NPLs	FY 2022 (₦'million)	% of total NPLs
Local currency	23,850	48%	21,618	73%
Foreign currency	25,344	52%	7,819	27%
Total NPLs	49,195	100%	29,437	100%

Sector	Restructured loans (₦'million)	Restructured to total loans
Agriculture	39.28	0.04
Construction & Real Estate	2,005.29	1.8
Consumer Loans	56.49	0.04
General Commerce	2,275.62	1.09
Government	2,085.36	1.7
Manufacturing	13,470.92	2.07
Oil & Gas Service	55.23	0.05
Grand Total	19,988.19	6.79
FY 2022	9,404.75	



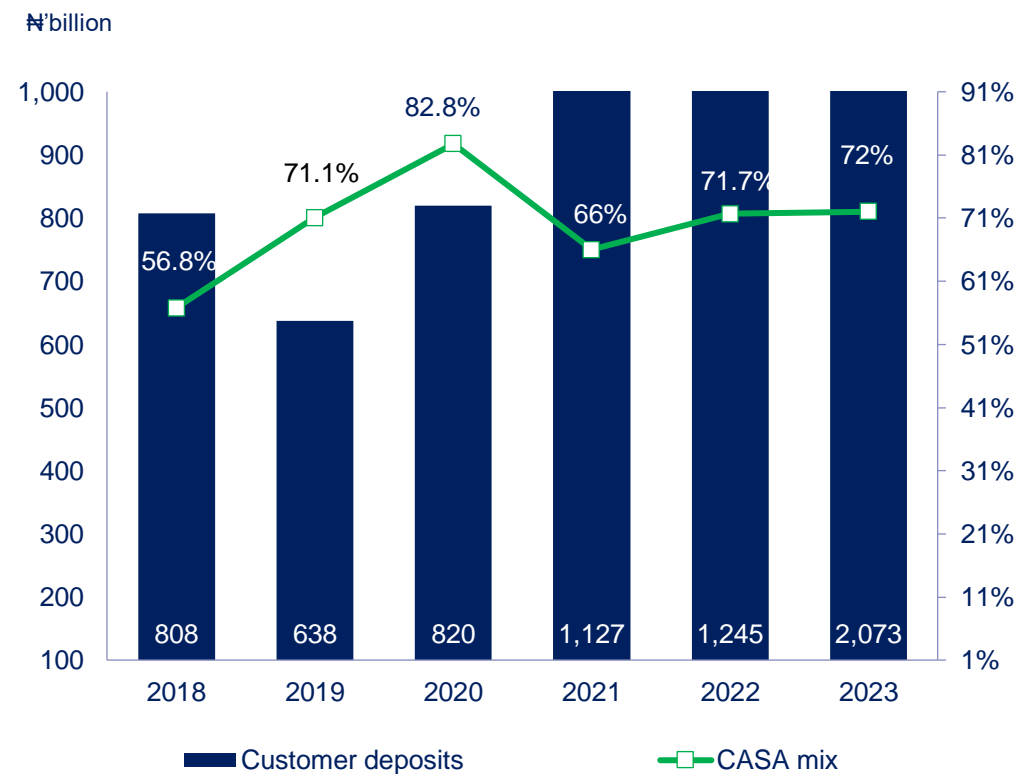
Gross loan stages

Sectoral stages of the gross loan book and provision coverage ratio

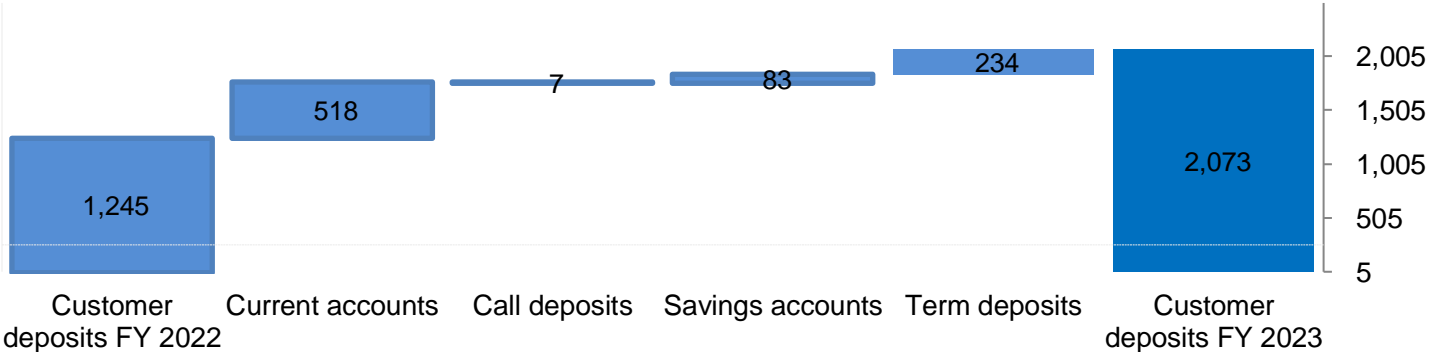
Sectors	Performing Loans				Non-Performing Loans	
	Stage 1		Stage 2		Stage 3	
	Gross Loan ₦'million	Provision coverage	Gross Loan ₦'million	Provision coverage	Gross Loan ₦'million	Provision coverage
Agriculture	93,068	1.31%	225	21.21%	822	46.66%
Construction & Real Estate	99,608	1.39%	85	27.31%	13,256	88.87%
Consumer Credit	117,611	1.40%	11,345	9.72%	8,468	70.18%
Electricity, Gas & Water Supply	15,935	0.85%	-	-	-	-
Financial Intermediaries & Insurance	25,144	0.83%	-	-	28	71%
General Commerce	198,599	1.45%	4,045	15.23%	6,056	73.52%
Government	121,926	0.90%	-	-	-	-
Manufacturing	647,880	0.42%	3,075	7.60%	840	73.49%
Oil & Gas Service	94,568	0.96%	1,111	14.57%	16,351	87.34%
Oil & Gas Downstream	131,073	0.61%	38	27.31%	3372	58.40%
Oil & Gas Upstream	173,075	1.29%	-	-	-	0.00%
Transport & Communications	303,046	1.73%	487	29.15%	-	0.00%
Grand Total	2,021,533	0.85%	20,410	10.96%	49,195	80.19%

Customer Deposits

- ❖ Customer deposits increased by 66% in FY 2023 from the FY 2022 position, driven by increases in current and savings account deposits.
- ❖ Thus, the CASA ratio grew to 72% in FY 2023 from 71.7% in FY 2022 due to faster growth pace in low-cost deposits as compared to other deposit classes.



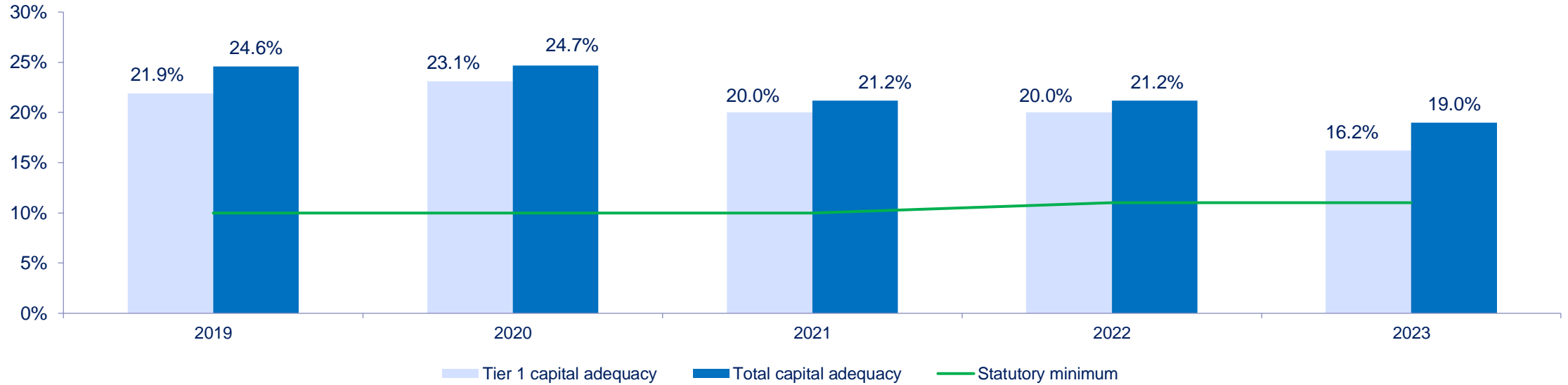
	FY 2023			FY 2022		
	LCY deposits	FCY deposits	Total deposits	LCY deposits	FCY deposits	Total deposits
	N'billion	N'billion	N'billion	N'billion	N'billion	N'billion
PPB Clients	371	153	524	275	72	347
Current Accounts	106	129	235	84	66	150
Savings Accounts	253	11	263	179	1.5	180
Call Deposits	1	0.1	1.2	2	0.1	2
Term Deposits	11	13	24	10	5	15
BCB Clients	254	373	627	208	149	357
Current Accounts	205	226	432	167	102	269
Savings Accounts	1	-	1	1	0.02	6
Call Deposits	33	3	36	25	1	27
Term Deposits	15	144	158	15	45	60
CIB Clients	495	427	922	363	179	542
Current accounts	267	296	563	147	146	292
Call deposits	51	11	61	72	5	77
Term deposits	178	120	298	144	28	172
Total deposits	1120	953	2,073	846	400	1,245
	54%	46%	100%	68%	32%	100%



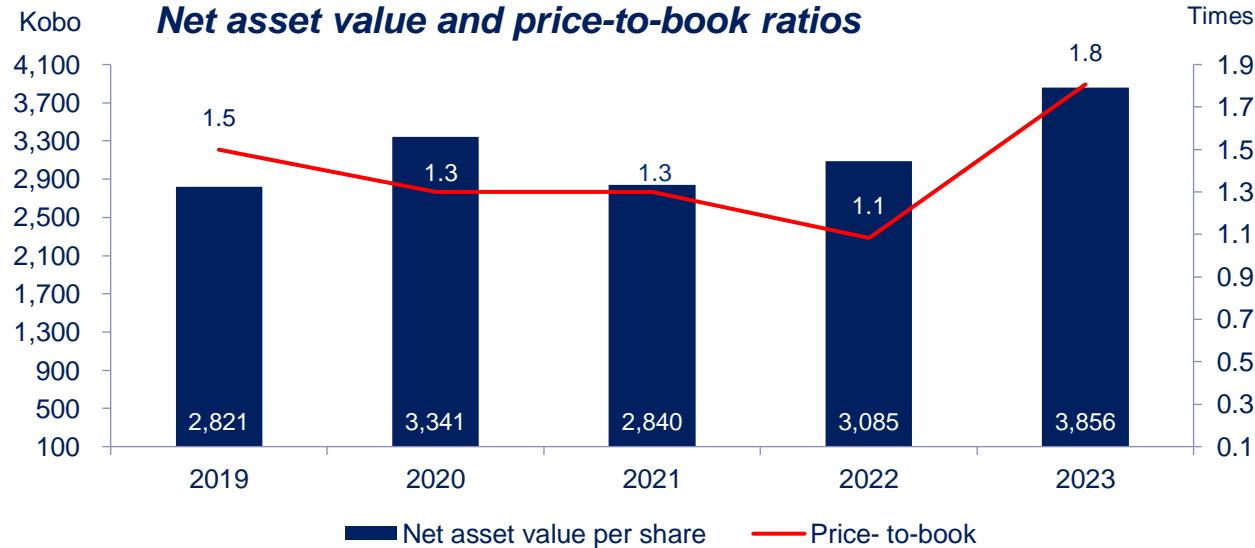
Capital and shareholders' fund

Strong capital buffers

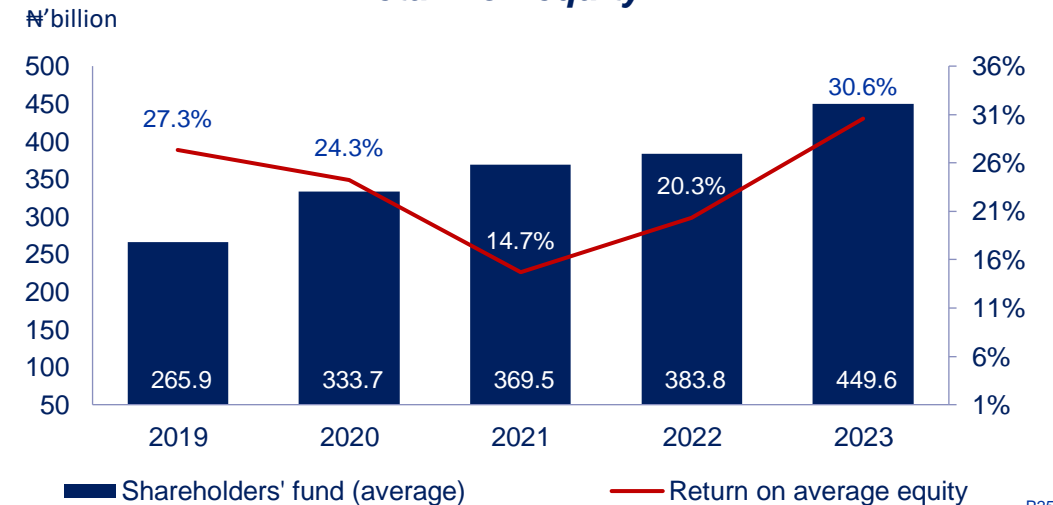
Capital adequacy ratio



Net asset value and price-to-book ratios



Return on equity



Client Segments

Personal and Private Banking

Banking services to retail and high network clients

What we offer:

Retail Lending

- Mortgage Residential accommodation loans
- Finance of vehicles

Retail transactional and card production Lending

- Comprehensive suite of transactional, savings payment and liquidity management solutions
- Credit cards, debit cards: foreign currency prepaid cards

Insurance and Asset Management

Pension fund administration, asset management, trust and fiduciary, life insurance and insurance brokerage services enterprises

What we offer:

Pension fund administration

- Retirement savings accounts
- Gratuity schemes for companies.

Asset management

- Mutual funds
- Portfolio management for high-net-worth individuals.

Trustee Services

- Private trust.
- Corporate trust

Insurance Brokerage

- Life assurance
- Group life insurance
- Travel health insurance
- General insurance

Life Insurance

- Annuity
- Life insurance

Business and Commercial Banking

Broad based client solutions for a wide spectrum of small and medium sized businesses as well as large commercial enterprises

What we offer:

Transactional and card products

- Comprehensive suite of transactional, saving investment, trade, foreign exchange, payment and liquidity management solutions, made accessible through a range of physical and electronic/digital channels
- Merchant transaction acquiring services (card acquiring).

Lending Products

- Business lending offerings constitute comprehensive suite of lending product offerings, structured working capital finance solutions and commercial property finance solutions
- Overdrafts
- Finance of vehicles and equipment in the business market.
- Invoice discounting
- Contract and local purchase order financing
- Import and export finance facility.

Corporate and Investment Banking

Corporate and investment banking services to government parastatals, larger corporates, financial institutions and international counterparties

What we offer:

Global Markets

- Fixed income instruments
- Money market
- Equities
- Foreign Exchange
- Research

Investment Banking

- Equity capital market
- Debt capital market
- Finance advisory
- Real Estate Finance and principal investment management
- Mining, Energy, and infrastructure.
- Diversified Lending and Leverage.

Transactional Products and services

- Investor services (asset custody)
- Transactional banking
- Trade finance

Coverage and distribution

- Client facing sales activities within the CIB division covering conglomerate and diversified industries; consumer, financial institutions; oil and gas, power and infrastructure and telecommunications, media, and technology sector.

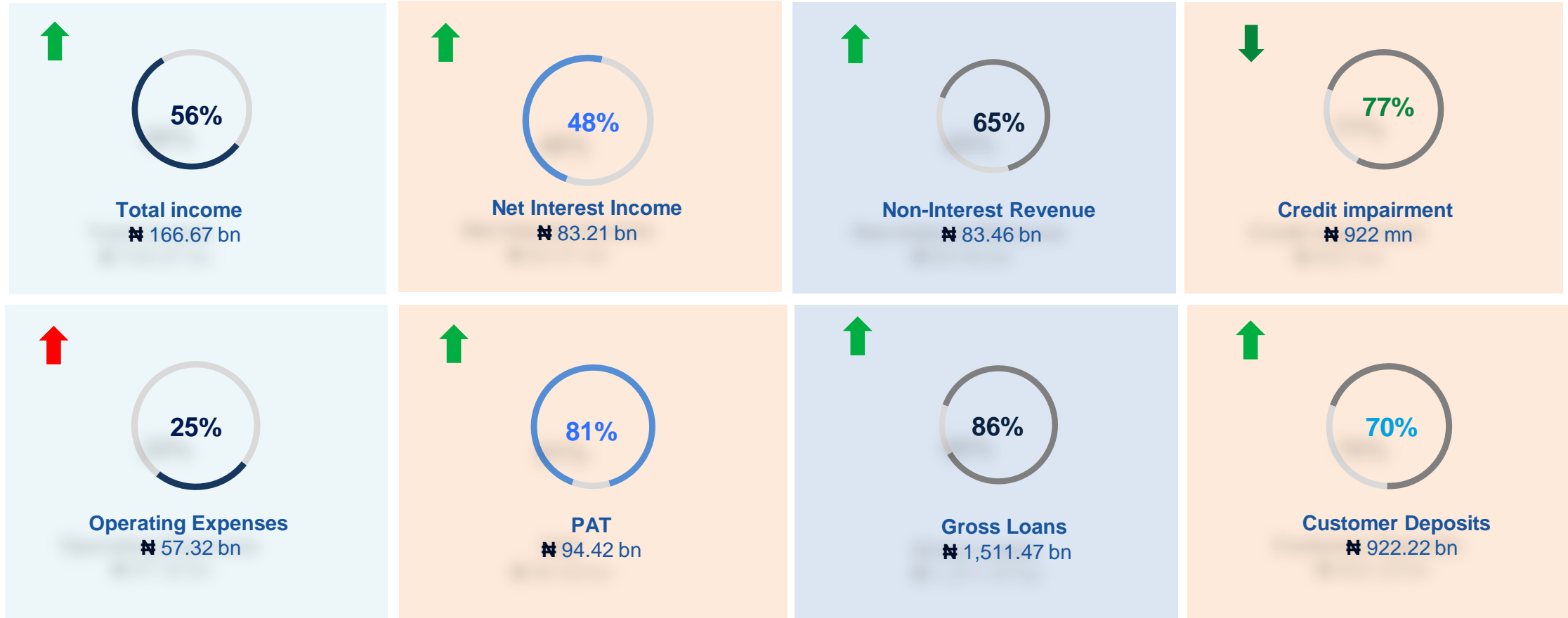


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Corporate and Investment Banking (CIB)

Summary of FY 2023 Performance – CIB Clients

Significant Improvement recorded in balance sheet metrics and income lines



KEY RATIOS

Gross NPL ratio	Cost-to-income ratio	Credit loss ratio	CASA ratio
			
FY 2023: 0.9% FY 2022 : 1.2%	FY 2023: 34.4% FY 2022: 42.7%	FY 2023: 0.1% FY 2022: 0.6%	FY 2023: 61.0% FY 2022: 54.0%

CIB Financial Analysis – FY 2023

Growth in asset metrics and income lines

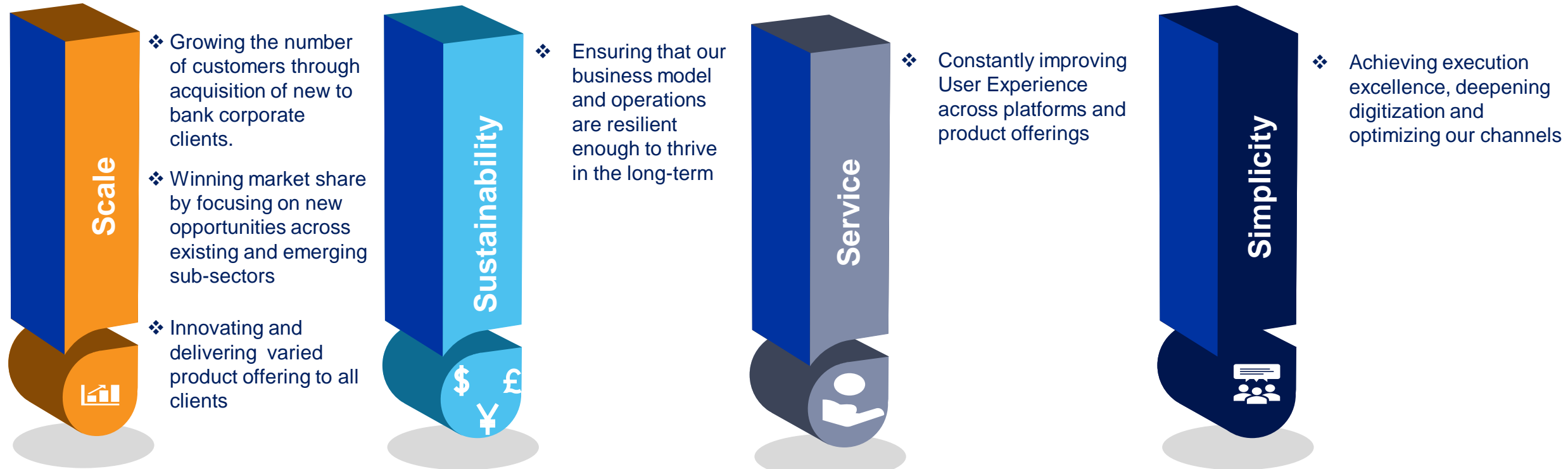
- ❖ The business recorded 86% and 70% growth in gross loans and deposits respectively during the period under review.
- ❖ CIB's profitability increased by 81% to ₦94.4 billion in FY 2023 due to increase in both net interest income and non-interest revenue.
- ❖ Increase in net interest income was attributed to the continued growth in loan yields, resulting in higher average yield on assets compared to FY 2022. The increase was also supported by growth in outstanding loans
- ❖ Increase in non-interest revenue resulted from growth in trading revenue line, increase in advisory fees from the Investment Banking space as well as increase in fees and commission from new loans booked.
- ❖ Credit impairment charge of the business was ₦922 million for the period under review compared to ₦3.9 billion reported for FY 2022.
- ❖ The increase in operating expenses was due to growth in regulatory costs including AMCON levy and NDIC premium.

Performance highlights

	FY 2023	Change	FY 2022
Income statement	₦ 'million	%	₦ 'million
Net interest income	83,210	48	56,324
Non-interest revenue	83,463	65	50,712
Total income	166,673	56	107,036
Credit impairment charges	(922)	(77)	(3,940)
Operating expenses	(57,316)	25	(45,755)
Profit before tax	108,435	89	57,341
Profit after tax	94,421	81	52,201
Balance sheet	FY 2023		FY 2022
Gross loans & advances	1,511,470	86	814,291
Deposit liabilities	922,220	70	541,713
Key selected ratios	FY 2023		FY 2022
Cost to income ratio %	34.4		42.7
CASA ratio %	61.0		54.0
Credit loss ratio %	0.1		0.6
NPL/total loan ratio %	0.9		1.2

Corporate and Investment Banking –2024 Focus

Our priorities in 2024



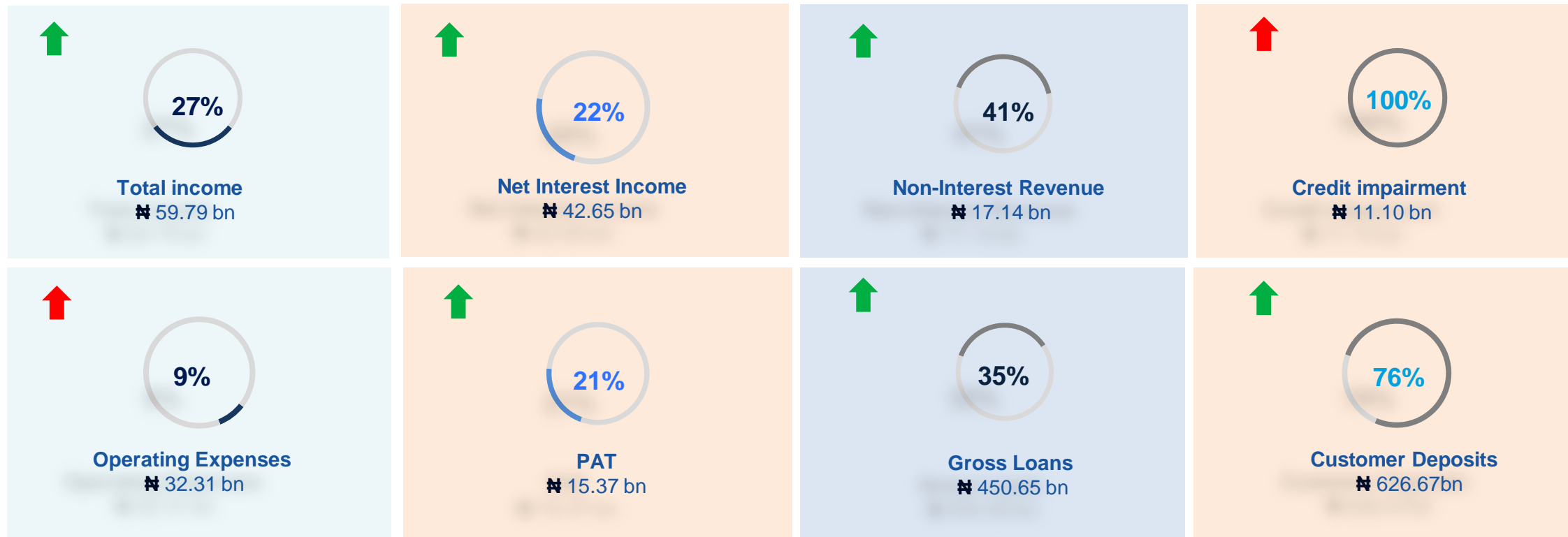


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Business and Commercial Banking (BCB)

Summary of FY 2023 Performance - BCB

Improvement recorded across key metrics



KEY RATIOS

Gross NPL ratio



FY 2023: 6.2%
FY 2022: 4.3%

Cost-to-income ratio



FY 2023: 54.0%
FY 2022: 62.7%

Credit loss ratio



FY 2023: 2.8%
FY 2022: 1.4%

CASA ratio



FY 2022: 69.0%
FY 2021: 75.7%

BCB Financial Analysis – FY 2023

Recorded balance sheet growth and improvement in earnings

- ❖ BCB reported profit after tax of ₦15.4 billion, 21% growth compared to ₦12.7 billion posted in FY 2022. This is due to growth in both net interest income and non-interest revenue.
- ❖ Non-interest revenue increased by 41% to ₦17.1 billion. The increase is attributed to increased transaction volumes as well as increase in fees from new loans and advances to customers.
- ❖ Credit impairment charge was ₦11.1 billion on the back of growth in loan book and proactive provisioning on a few names. Risk asset portfolio remained healthy in this segment.
- ❖ Operating expenses increased by 9% following the increase in premises and maintenance expenses, marketing and advertisement, stationery and printing cost.
- ❖ Despite the cost growth, BCC's cost-to-income ratio improved to 54% for the period under review from 62.7% in FY 2022 due to the growth in total income.
- ❖ The business recorded 35% growth in loans and 76% increase in deposits.

Performance highlights

	FY 2023	Change	FY 2022
Income statement	₦ 'million	%	₦ 'million
Net interest income	42,650	22	35,054
Non-interest revenue	17,141	41	12,122
Total income	59,791	27	47,176
Credit impairment charges	(11,097)	>(100)	(4,259)
Operating expenses	(32,314)	9	(29,593)
Profit before tax	16,380	23	13,324
Profit after tax	15,369	21	12,721

Balance sheet	FY 2023		FY 2022
Gross loans & advances	450,650	35	334,655
Deposit liabilities	626,672	76	356,596

Key selected ratios	FY 2023		FY 2022
Cost to income ratio %	54		62.7
CASA ratio %	69.0		75.7
Credit loss ratio %	2.8		1.4
NPL/total loan ratio %	6.2		4.3

Business and Commercial Banking 2024 Focus

Our priorities in 2024



- ❖ Attract and acquire new-to-bank clients by providing appropriate solutions to their identified needs.
- ❖ Grow active clientele base by partnering with our clients for growth.



- ❖ Grow transactional volumes by improving our clients' transacting experiences on our digital platforms.



- ❖ Grow the balance sheet in a sustainable manner by focusing on resilient sectors within our risk appetite.



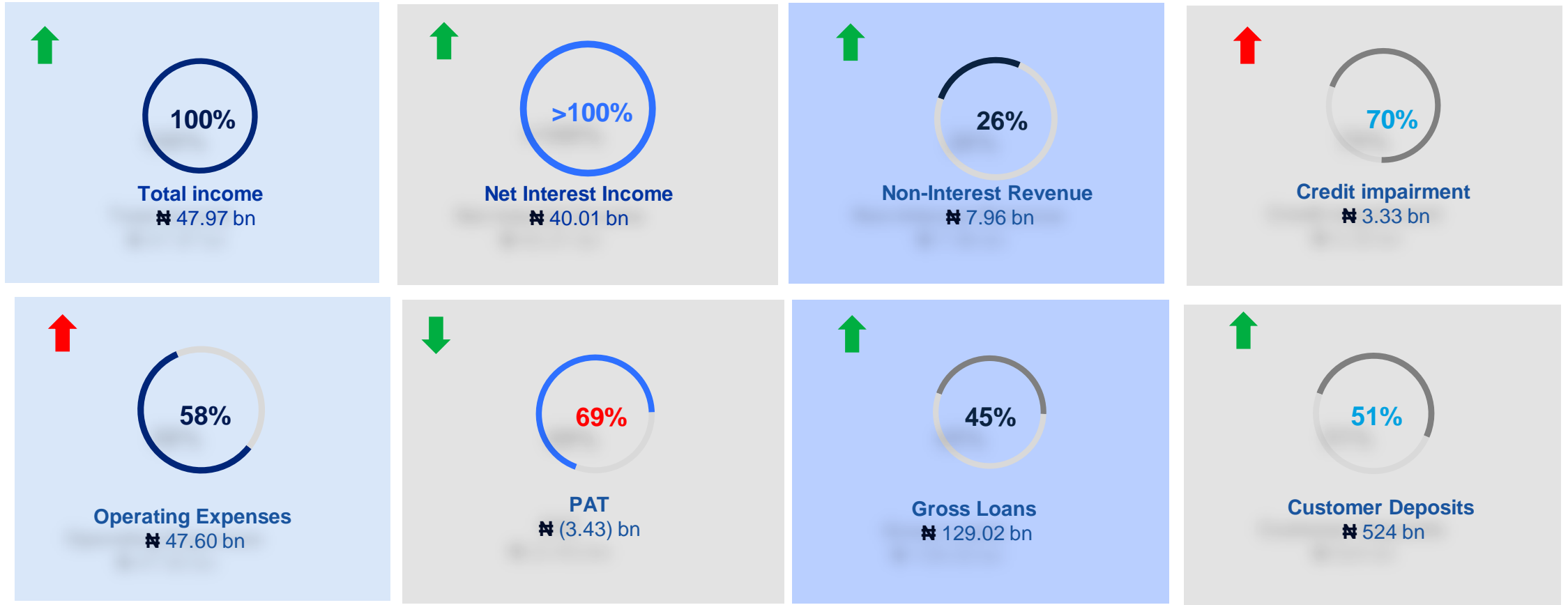
- ❖ Improve operational efficiency through effective channel management and implementation of cost saving initiatives.



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Personal and Private Banking (PPB)

PPB Performance Highlights – FY 2023



KEY RATIOS

Gross NPL ratio



FY2023: 6.2%
FY 2022: 5.6%

Cost-to-income ratio



FY 2023: 99.2%
9M 2022: 139.6%

Credit loss ratio



FY 2023: 0.8%
FY 2022: 0.6%

CASA ratio



FY 2023: 95.1%
FY 2022: 95.2%

PPB Financial Analysis – FY 2023

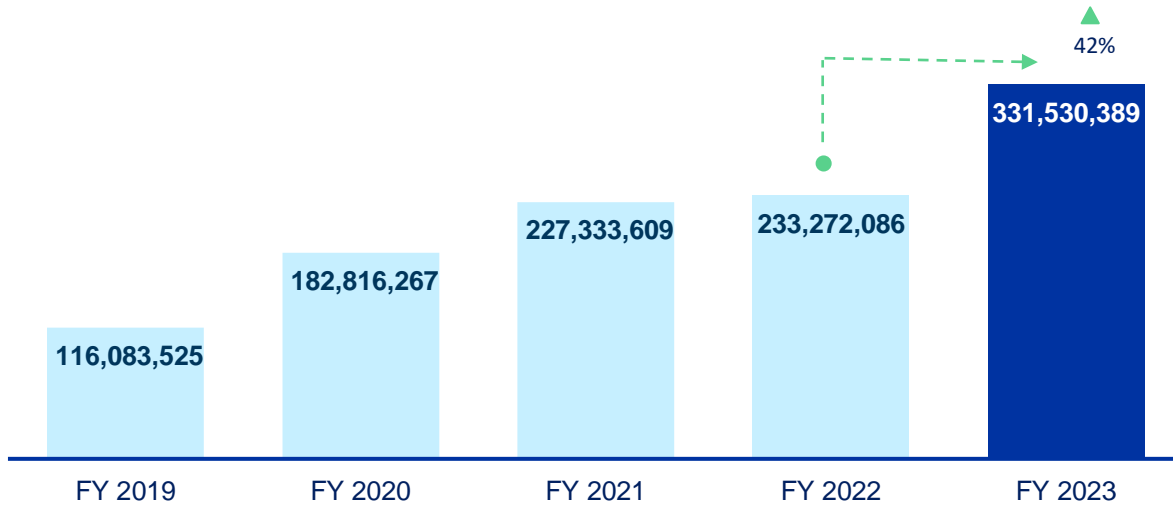
- ❖ Increase in total income was supported by the above 100% growth in net interest income and 26% increase in non-interest revenue.
- ❖ Operating expenses grew by 58% Y-o-Y due to inflation and its impact on branch operations cost and FX depreciation induced I.T cost increase.
- ❖ PPB reported an improvement in its year end position compared to previous year although the business still made a loss after tax.
- ❖ Customer loans and deposits both grew by 45% and 51% respectively

Performance highlights

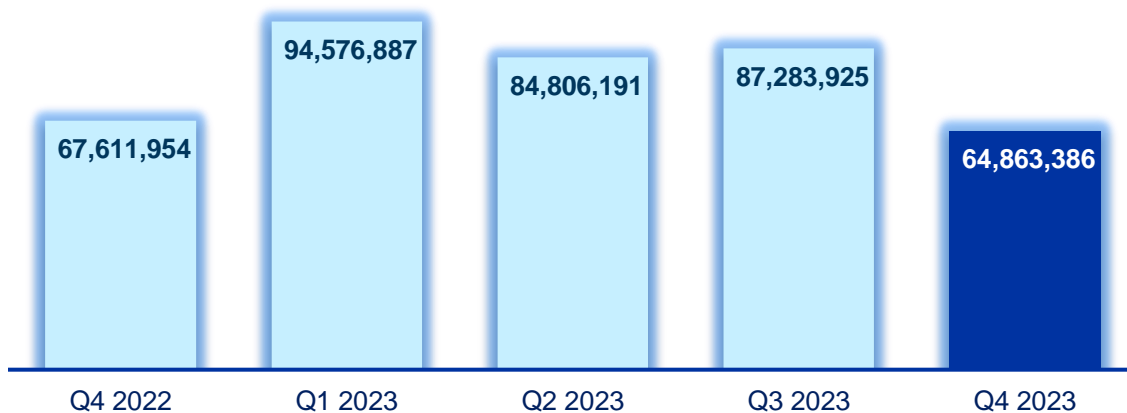
	FY 2023	Change	FY 2022
Income statement	₹ 'million	%	₹ 'million
Net interest income	40,010	>100	15,304
Non-interest revenue	7,962	26	6,319
Total income	47,972	>100	21,623
Credit impairment charges	(3,330)	70	(1,959)
Operating expenses	(47,596)	58	(30,186)
Profit before tax	(2,954)	(72)	(10,522)
Profit after tax	(3,433)	(69)	(10,918)
Balance sheet	FY 2023		FY 2022
Gross loans & advances	129,017	45	89,249
Deposit liabilities	523,995	51	347,037
Key selected ratios	FY 2023		FY 2022
Cost to income ratio %	99.2		139.6
CASA ratio %	95.1		95.2
Credit loss ratio %	0.8		0.6
NPL/total loan ratio %	6.2		5.6

Digitization

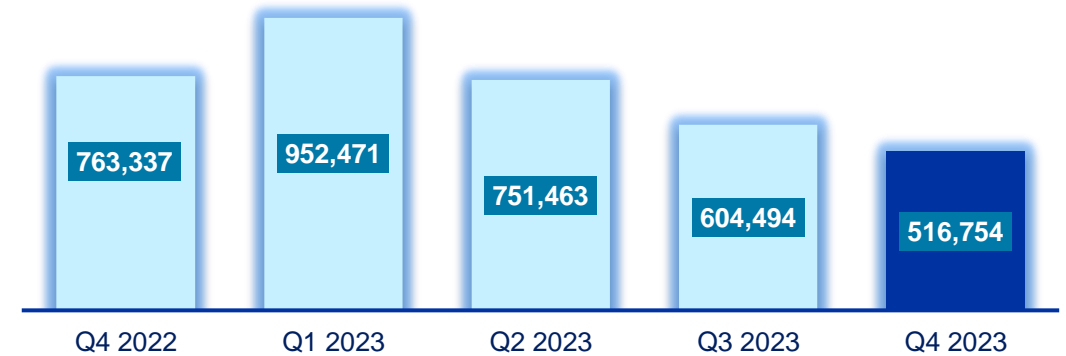
Digital Transaction Trend Y-o-Y



Digital Transaction Trend Q-o-Q



Branch Transaction Trend Q-o-Q

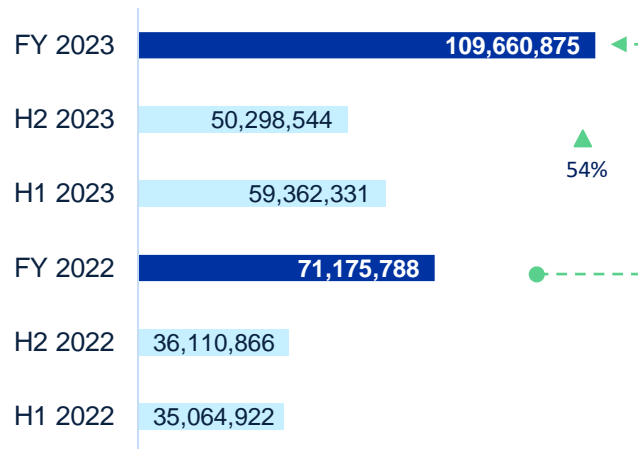


- ❖ Volume of digital transactions grew by 42% YoY while the value of transaction relatively stable YoY
- ❖ Branch transactions decreased by 48% YoY .
- ❖ Digital transaction declined in Q4 2023 due to the decommissioning of some ATM machines.

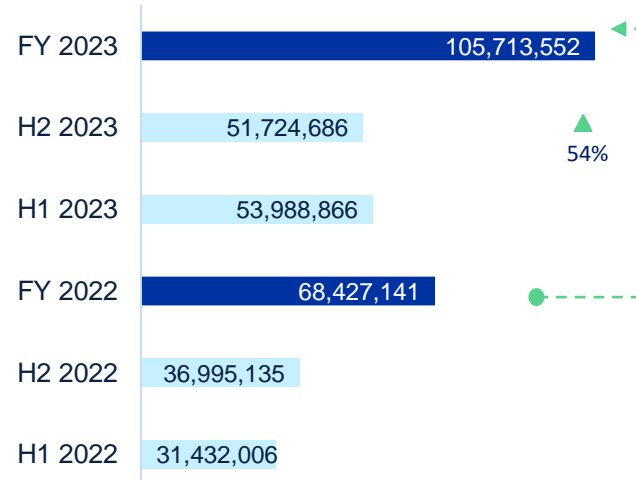
Digitization

Transaction volumes across the digital channels

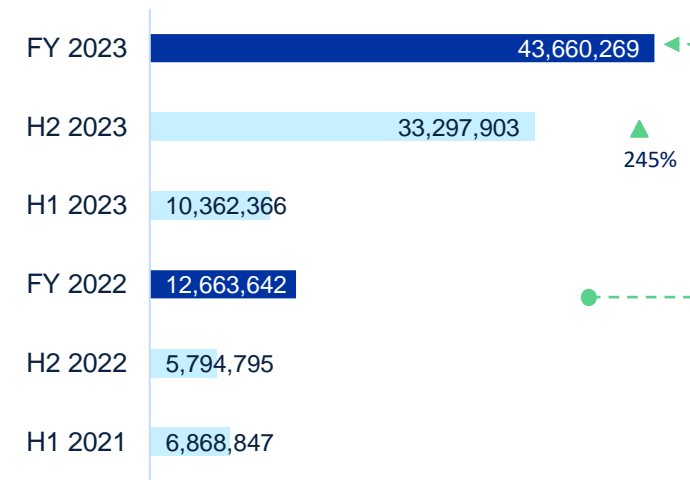
USSD



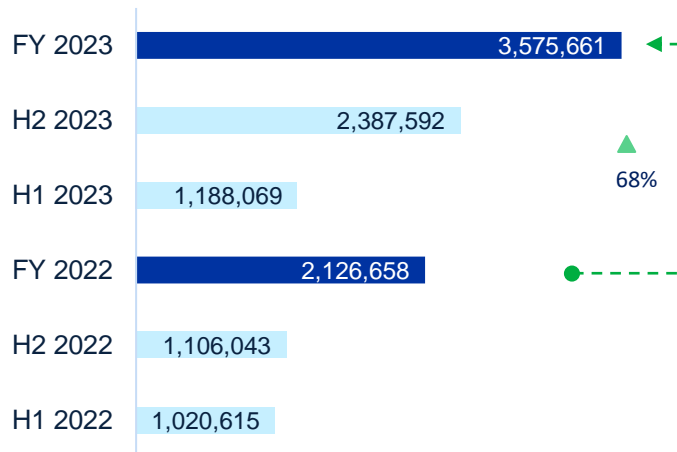
Mobile Banking



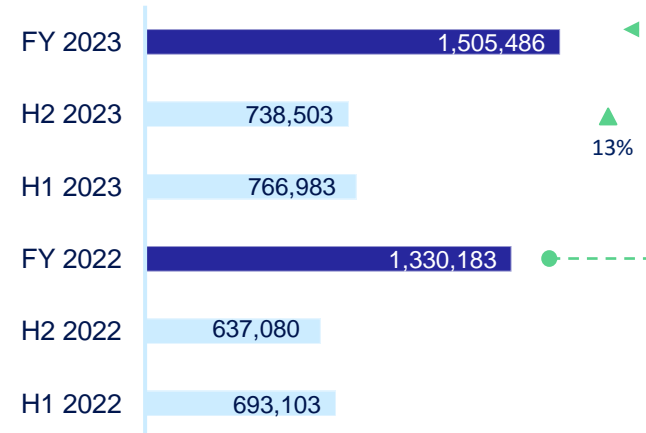
POS



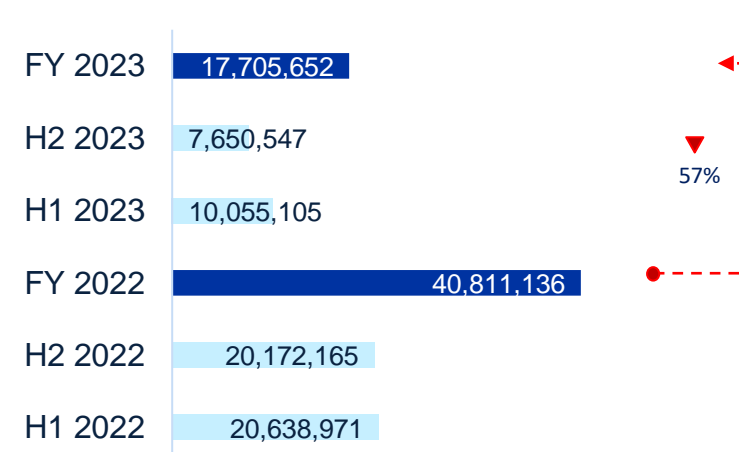
Enterprise Online



Internet Banking

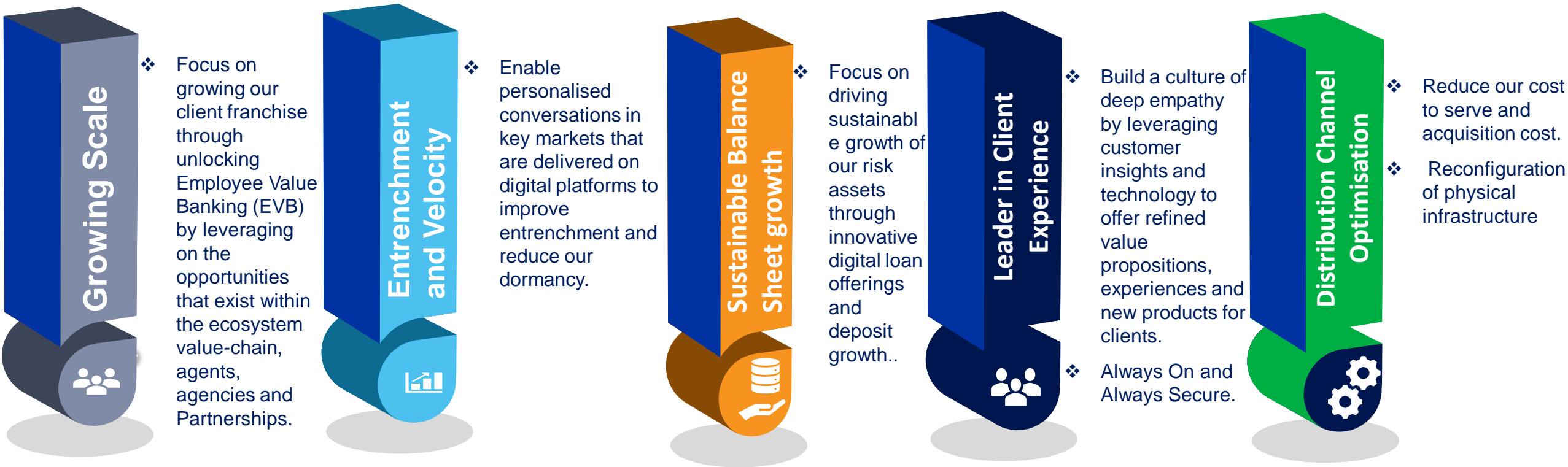


ATM



PPB 2024 Focus

Our priorities in 2024

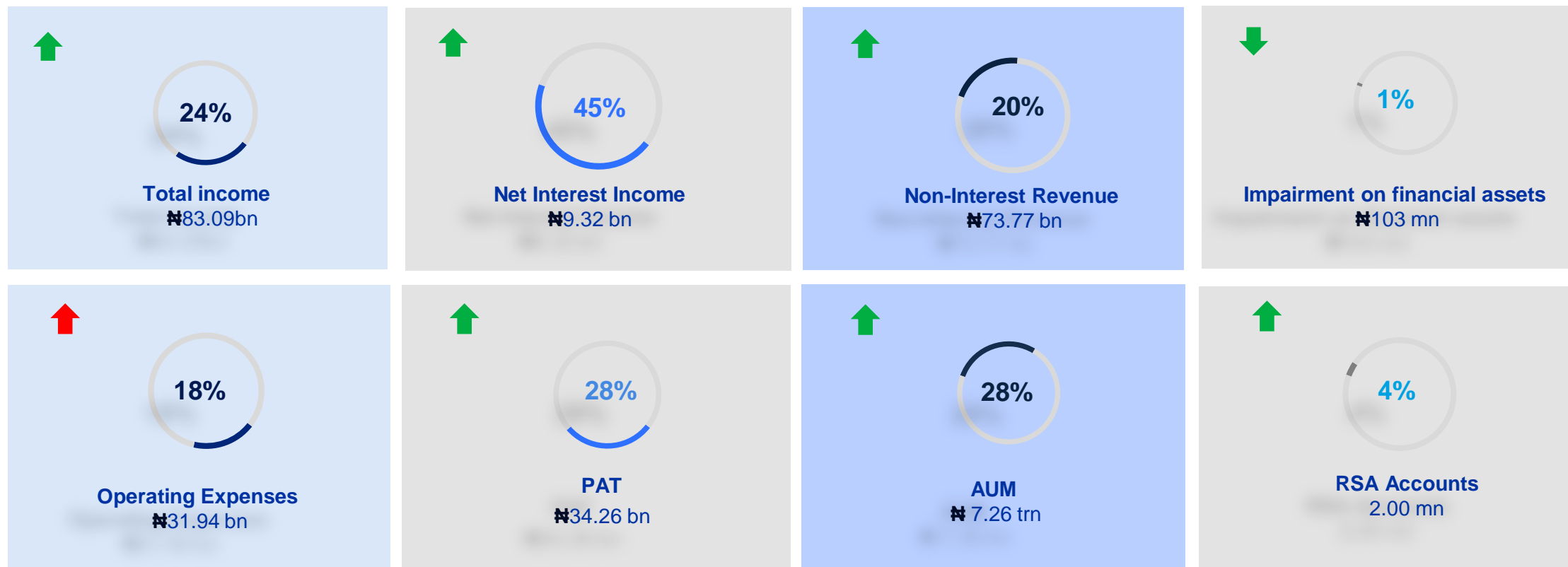




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Insurance and Asset Management (IAM)

Insurance and Asset Management Performance Highlights – FY 2023



KEY RATIO

Cost-to-income ratio



FY 2023: 38.4%

FY 2022: 40.6%

IAM Performance Highlights – FY 2023

- ❖ *Assets under Management (AuM) grew by 28% year-on-year to close at ₦7.3 trillion as at FY 2023.*
- ❖ *Increase in net interest income was as a result of higher average yields on investments.*
- ❖ *Non-interest revenue grew due to increase in fees earned from AUM growth as well as growth in transaction volumes.*
- ❖ *Operating expenses increased by 18% is due to the impact of inflation on all expenses.*

Performance highlights

	FY 2023	Change	FY 2022
Income statement	₦ 'million	%	₦ 'million
Net interest income	9,320	45	6,437
Non-interest revenue	73,773	21	60,797
Total income	83,093	22	67,234
Impairment on financial assets	(103)	1	(132)
Operating expenses	(31,944)	18	(26,977)
Profit before tax	51,046	27	40,125
Profit after tax	34,260	28	26,729
Balance sheet	FY 2023		FY 2022
Assets under management	7,262,436	28	5,679,415
Retirement savings accounts #	2,002,647	4	1,922,203
Key selected ratio	FY 2023		FY 2022
Cost to income ratio %	38.4		40.1

IAM 2024 Focus

Our priorities in 2024



- ❖ Deepen the level of digitization, empower our clients through our multiple channels and ensure reliable touch points with the overall intent of improving transactional and processing efficiencies across our businesses



- ❖ Focus on growing our client franchise and assets under management.



- ❖ Leverage customer insights and technology to offer refined value propositions, experiences and new products for our clients



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Guidance

2023 Guidance Vs FY 2023 Actual and 2024 outlook

Considerable achievement of the 2023 guidance + our expectations for 2024

		2023 Guidance		FY 2023 Actual	2024 Guidance
Return on equity	>>	20% - 25%	⬆️	30.6%	25% - 30%
Cost to income	>>	50% - 55%	⬇️	47%	50% - 55%
Net interest margin*	>>	4% - 4.5%	⬆️	4.6%	4% - 4.5%
Cost of risk	>>	≤3%	⬇️	0.8%	≤3%
CASA ratio	>>	>70%	⬆️	72%	>75%
NPL ratio	>>	<5%	⬇️	2.35%	<5%
Deposit growth	>>	10% - 15%	⬆️	57%	25% - 30%
Gross Loan growth	>>	15% - 20%	⬆️	69%	20% - 25%
AUM Growth	>>	15% - 20%	⬆️	28%	20% - 25%

*Net interest margin = $\frac{\text{Net interest income}}{\text{Total assets excluding derivative assets}}$



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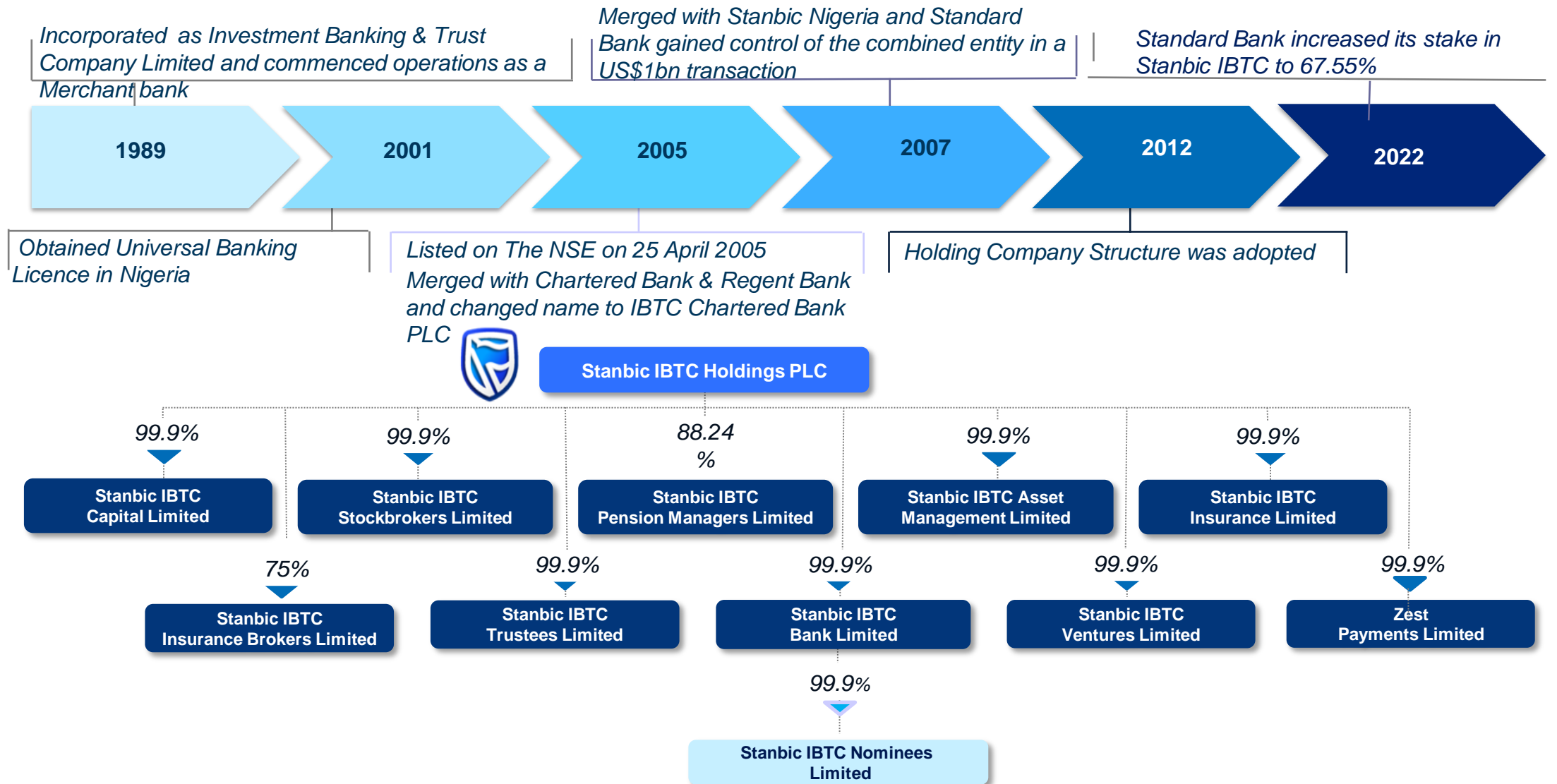
Questions?



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Appendix

About Stanbic IBTC Holdings



Group Statement of Comprehensive Income

Income statement		Change %	2023 ₹'million	Restated 2022 ₹'million
Gross earnings	62		461,086	284,877
Net interest income	55		175,190	113,119
Interest income	77		270,593	152,670
Interest expense	>100		(95,403)	(39,551)
Non-interest revenue	42		179,976	126,333
Net fees and commission revenue	21		110,277	91,059
Fees and commission revenue	23		117,839	96,065
Fees and commission expense	51		(7,562)	(5,006)
Income from life insurance activities	>100		(1,531)	(595)
Net insurance service result before reinsurance contracts held	>100		2,196	441
Net expense from reinsurance contracts held	>100		(670)	(307)
Net insurance finance expenses	>100		(2,285)	(561)
Fair value adjustments	>100		(772)	(168)
Insurance benefits and claims paid			-	-
Trading revenue	80		62,506	34,687
Other revenue	>100		8,724	1,182
Total income	48		355,166	239,452
Net impairment loss on financial assets	50		(15,452)	(10,290)
Income after credit impairment charges	48		339,714	229,162
Operating expenses	29		(166,807)	(128,894)
Staff costs	29		(65,760)	(50,996)
Other operating expenses	30		(101,047)	(77,898)
Profit before tax	72		172,907	100,268
Tax	65		(32,290)	(19,535)
Profit for the year	74		140,617	80,733
Profit attributable to:				
Non-controlling interests	13		3,035	2,691
Equity holders of the parent	76		137,582	78,042
Profit for the year	74		140,617	80,733

Group Quarterly Income Statement

Group statement of profit or loss quarterly analysis

	Q4 2023 ¥million	Q3 2023 ¥million	Q2 2023 ¥million	Q1 2023 ¥million
Gross earnings	127,562	120,190	116,368	96,967
Net interest income	54,687	47,819	36,304	36,380
Interest income	86,002	74,332	59,841	50,418
Interest expense	(31,315)	(26,513)	(23,537)	(14,038)
Non-interest revenue	38,015	43,342	53,773	44,845
Net fee and commission revenue	30,751	28,372	26,229	24,925
Fee and commission revenue	33,241	30,803	27,772	26,023
Fee and commission expense	(2,490)	(2,431)	(1,543)	(1,098)
Income from life insurance activities	(300)	(718)	(342)	(171)
Net insurance service result before reinsurance contracts held	680	509	671	336
Net expense from reinsurance contracts held	(221)	(76)	(249)	(124)
Net insurance finance expenses	(834)	(8)	(962)	(481)
Fair value adjustments	75	(1,143)	197	99
Trading revenue	2,765	15,018	24,829	19,894
Other revenue	4,799	671	3,057	197
Total income	92,702	91,161	90,077	81,225
Net impairment loss on financial assets	(5,496)	(3,977)	(2,699)	(3,280)
Income after credit impairment charges	87,206	87,184	87,378	77,945
Operating expenses	(43,757)	(40,712)	(40,891)	(41,447)
Staff costs	(19,774)	(16,473)	(15,534)	(13,979)
Other operating expenses	(23,983)	(24,239)	(25,357)	(27,468)
Profit before taxation	43,449	46,472	46,487	36,498
Taxation	(12,081)	(5,143)	(7,667)	(7,399)
Profit for the period	31,369	41,329	38,820	29,099
Profit attributable to:				
Non-controlling interests	637	726	790	816
Equity holders of the parent	30,732	40,604	38,268	28,045
Profit for the period	31,369	41,330	39,058	28,861

Group Statement of Financial Position

	Change %	31 Dec. 2023 ¥million	Restated 31 Dec. 2022 ¥million	Restated 1 Jan. 2022 ¥million
Assets				
Cash and cash equivalents	>100	1,384,879	664,450	653,070
Pledged assets	>100	374,912	127,990	182,335
Trading assets	(64)	67,917	190,431	98,743
Derivative assets	>100	550,720	42,134	41,212
Financial investments	(25)	435,657	582,019	636,611
Loans and advances	69	2,041,019	1,208,190	937,140
Loans and advances to banks	>100	8,668	3,404	16,096
Loans and advances to customers	69	2,032,351	1,204,786	921,044
Other assets	54	202,833	132,069	129,271
Property and equipment	25	76,683	61,548	42,720
Reinsurance assets	46	468	321	186
Intangible assets	(23)	2,471	3,223	4,011
Right of use assets	22	4,388	3,609	3,394
Deferred tax assets	(72)	3,649	13,042	13,998
Total assets	69.88	5,145,596	3,029,026	2,742,691

	Change %	2023 ¥million	*Restated 2022 ¥million	2022 ¥million
Equity and liabilities				
Equity	24	506,924	407,570	376,846
Equity attributable to ordinary shareholders	25	499,576	399,562	367,996
Ordinary share capital	-	6,479	6,479	6,479
Ordinary share premium	-	102,780	102,780	102,780
Reserves	34	390,317	290,303	258,737
Non-controlling interest	(8)	7,348	8,008	8,850
Liabilities	77	4,638,672	2,621,456	2,365,845
Trading liabilities	>100	480,465	220,971	112,023
Derivative liabilities	>100	446,993	26,099	25,364
Current tax liabilities	33	23,388	17,564	16,441
Deposit and current accounts	57	2,731,772	1,736,426	1,558,397
Deposits from banks	34	658,885	491,080	431,862
Deposits from customers	66	2,072,887	1,245,346	1,126,535
Other borrowings	>100	375,959	187,957	136,434
Debts securities issued	3	74,311	71,878	47,419
Provisions	29	11,314	8,758	9,302
Other liabilities	40	493,277	351,803	460,465
Deferred tax liabilities	>100	1,193	-	-
Total equity and liabilities	70	5,145,596	3,029,026	2,742,691

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