

Stanbic IBTC Holdings PLC (“Stanbic IBTC”)
Nine months unaudited group results for the period ended 30
September 2022

Stanbic IBTC reports Quarter-on-Quarter growth in profit metrics

LAGOS, NIGERIA – 28 October 2022 – Stanbic IBTC, a member of Standard Bank Group, has announced its nine months unaudited results for the period ended 30 September 2022.

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

“We continue to witness growth in our client franchise and key income lines. The Group’s profitability increased by 57% QoQ, largely attributable to impressive growth in net interest income and other revenue sources. This was supported by lower credit impairment charges and operating expenses when compared with the second quarter. The uplift in net interest income resulted from increase in the volume and yield on risk assets as we sustained our loan growth performance. In addition, trading revenue grew by 47% QoQ following the increase in trading activities during the third quarter. Sustained focus on cost optimisation led to 8% QoQ decline in our operating expenses. As such, our cost-to income ratio improved to 56.1% from 59.9% in the first half of the year, and 64.3% in the prior year.

We kicked-off the third quarter with the implementation of initiatives to deliver top notch services to our customers by leveraging digital technology. We entered into a partnership to enhance the Stanbic IBTC SME Banking platform by providing seamless payroll and salary management services to SME Banking customers. The digital module of the solution is now embedded on Stanbic IBTC’s SME online platform and offers value added services such as free HR services to SME customers for the first three months, salary payment of remote employees while staying compliant to local laws, provision of financial data with detailed analytics, amongst others. We have also seen an increase in the uptake of our customer loyalty programme, PlusRewards which provides exclusive discount offers to Stanbic IBTC card holders at select merchant stores. Our Business clients can also sign up for the scheme as merchants and enjoy benefits such as free Stanbic IBTC point of sale (POS) devices, free marketing opportunities as well as access to Stanbic IBTC’s client base. Being a client-focused organisation, this will enable us to strengthen the relationship with our customers.

As an Environmental Social and Governance (ESG) driven organisation, we do not relent in achieving our sustainability goals. 37 of our office locations currently run on solar powered energy solutions and we have recycled 6.6 tonnes of waste papers in return for tissue papers year-to-date as we continue to support the global reduction of carbon emissions. During the quarter, we disbursed credit facilities of over ₦504mn to support educational service providers in Nigeria and disbursed about ₦4.73bn credit facilities to 861 SME clients. We have also modified three additional office locations and 10 offsite ATM locations for accessibility to the

physically challenged. Hence, 134 office locations and 97 offsite ATM locations have been modified so far.

We remain committed towards growing our key metrics over the rest of the year and achieving our FY 2022 guidance.”

Financial highlights

Financial position

- Total assets increased by 8% to ₦2.95 trillion (December 2021: ₦2.74 trillion)
- Gross loans and advances up 23% to ₦1.17 trillion (December 2021: ₦946.25 billion)
- Non-performing loan to total loan ratio of 2.6% (December 2021: 2.1%)
- Customer deposits increased by 1% to ₦1.14 trillion (December 2021: ₦1.13 trillion)
- Deposit mix improved to 73.1% (December 2021: 66.0%) of current-and-savings-accounts deposits to total deposits

Income statement

- Gross earnings of ₦207.4 billion, representing a 41% increase (9M 2021: ₦146.6 billion)
- Net interest income of ₦79.66 billion, up 48% (9M 2021: ₦54.0 billion)
- Non-interest revenue of ₦94.40 billion, up 36% (9M 2021: ₦69.25 billion)
- Total operating income of ₦174.06 billion, up 41% (9M 2021: ₦123.25 billion)
- Profit before tax of ₦68.95 billion, up 52% (9M 2021: ₦45.31 billion)
- Profit after tax of ₦55.19 billion, up 38% (9M 2021: ₦39.95 billion)
- Cost to income ratio of 56.1% (9M 2021: 64.3%)
- Return on average equity (annualised) 19.2%
- Return on average assets (annualised) 2.5%

Capital and liquidity

The Group continued to maintain an adequate level of capital during the period. The Group's total capital adequacy ratio closed at 19.2% (Bank: 14.9%) which is significantly higher than the 11% minimum regulatory requirement.

The Group also maintained a strong and diversified funding base during the first nine months of 2022. The Group's liquidity ratio was above the 30% regulatory minimum requirement, indicating the Group's commitment to meeting its liquidity obligations in a timely manner.

The Group also maintained its Fitch AAA (nga) rating, reflecting its stable financial outlook and strong credit worthiness

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 PLC 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 160 years.

With a controlling stake of 67.51% 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/>