



Stanbic IBTC Holdings PLC (“Stanbic IBTC”)

Unaudited group results for the period ended 31 March 2023

Stanbic IBTC sustains growth in profitability and core asset metrics.

LAGOS, NIGERIA – 20 April 2023– Stanbic IBTC, a member of Standard Bank Group, has announced its three months unaudited results for the period ended 31 March 2023.

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

“Business activities in Nigeria were generally low during the first quarter of the year due to the election period and other systemic factors. This is evidenced by the Stanbic IBTC Bank Purchasing Manager Index (PMI) which posted below 50.0 index points in the last two months of the quarter, signalling a sharper deterioration in business conditions. Indeed, the Nigerian economy was impacted by the rise in fuel costs and other issues which further pushed up inflationary trends for the period.

Despite these conditions, the Group reported impressive year-on-year improvement in gross earnings, profitability, and core asset metrics in Q1 2023. Profit after tax increased by 92% year-on-year (YoY), driven by growth across the key income lines including interest income, fees and commission and trading revenue. Although this was slightly muted by increase in operating expenses and impairment charges which grew by 17% and over 100% respectively. Interest income grew by 53% YoY, driven by sustained level of and yields on risk assets as we continued to extend loans responsibly to support our clients. Fees and commission income on the other hand grew by 13% YoY, supported by increased volume of digital banking transactions and investment banking fees. Trading income also maintained the growth trajectory, increasing by 89% YoY due to improved trading activities. The impressive growth in profits led to an improvement in Return-on-Equity to 27.5% from 15.4% as at Q1 2022. Return on assets also closed at 3.7%, an improvement from 2.0% recorded in the prior year, supported by improved earnings. Despite the 17% YoY increase in operating expenses, the Group’s cost to income ratio closed at 51.2% from 63.3% in Q1 2022, indicating a stronger growth in income than cost.

As a solution-driven financial services provider, we continue to expand our offerings to meet the pressing needs of our customers. Our Banking subsidiary, Stanbic IBTC Bank was named by the National Pension Commission (PenCom) as one of the banks eligible to process Retirement Savings Account (RSA) backed mortgages. As such, our customers can now access our home loan offering backed with up to 25% of their



pension contribution as equity. This is in line with our strategic focus on promoting the social and economic well-being of Nigerians.

The achievement of our sustainability strategy is very important to us, and we demonstrated this during the quarter. We continued our journey towards net-zero emissions as we commenced the adoption of green buildings in our Point-of-representation portfolio; two of our new office locations have now achieved design-stage green building certifications. On sustainable finance, Stanbic IBTC has invested about ₦5.45 billion towards sustainable bonds and sustainability linked notes year-to-date. We have also provided financing of about ₦250 million to female operated businesses to promote women economic empowerment.

We provided our Full Year 2023 guidance during our last conference call, and we will continue to work towards achieving them for the rest of the year.”

Financial highlights

Financial position

- Total assets increased by 6% to ₦3.21 trillion (December 2022: ₦3.03 trillion)
- Gross loans and advances closed at ₦1.24 trillion (December 2022: ₦1.24 trillion)
- Non-performing loan to total loan ratio of 2.5% (December 2022: 2.4%)
- Customer deposits increased by 6% to ₦1.33 trillion (December 2022: ₦1.25 trillion)
- Deposit mix increased to 74.9% (December 2022: 71.7%) of current-and-savings-accounts deposits to total deposits.

Income statement

- Gross earnings of ₦96.53 billion, representing 44% increase (Q1 2022: ₦67.23 billion)
- Net interest income of ₦36.38 billion, up 55% (Q1 2022: ₦23.43 billion)
- Non-interest revenue of ₦44.61 billion, up 38% (Q1 2022: ₦32.36 billion)
- Total operating income of ₦80.99 billion, up 45% (Q1 2022: ₦55.79 billion)
- Profit before tax of ₦36.26 billion, up 85% (Q1 2022: ₦19.60 billion)
- Profit after tax of ₦28.86 billion, up 92% (Q1 2022: ₦15.07 billion)
- Cost to income ratio of 51.2% (Q1 2022: 63.3%)
- Return on average equity (annualised) 27.5%
- Return on average assets (annualised) 3.7%

Capital and liquidity

The Group maintained adequate level of capital during the period. The Group's total capital adequacy ratio closed at 20.0% (Bank: 15.4%) which is significantly higher than the 11% minimum regulatory requirement.



The Group also maintained a strong and diversified funding base during the first quarter of the year. The Group's liquidity ratio closed at 67.84% as at March 2023, well above the regulatory minimum requirement of 30%, which reflects the Group's sound liquidity position.

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.stanbicibt.com/>