

Stanbic IBTC Holdings PLC (“Stanbic IBTC”)
Six months audited group results for the period ended 30 June 2023

Stanbic IBTC records impressive growth in profitability and key metrics, declares
₦1.50 interim dividend.

LAGOS, NIGERIA – 29 August 2023 – Stanbic IBTC, a member of Standard Bank Group, has announced its six months audited results for the period ended 30 June 2023.

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

“The first half of 2023 was an eventful one for us as an organisation within the Nigerian operating environment. Events such as the general elections and cash scarcity led to relatively slower business activities at the beginning of the year, causing the Stanbic IBTC Bank Purchasing Manager Index (PMI) to print below 50 index points. Business activities however picked up in the second quarter, with the PMI moving back above 50 points in April 2023 and closing at 53.2 in June 2023, following the improvement in access to cash, increase in customer demand and business expansion.

We reported significant growth in our key income lines during the period under review. The Group’s profitability increased by over 100% year-on-year (YoY) driven by growth across our revenue streams. Interest income grew by 62% YoY, mainly due to higher yield and volume of loans and investments, which is in line with our efforts to support our clients through loan offerings and investment opportunities. Net fees and commission income increased by 12% YoY, attributable to increase in fees earned on letters of credit and growth in fees from digital banking transactions following an increased uptake of our digital channels. Growth in trading income was sustained due to improved FX trading activities and FX revaluation gains. Our operating expenses on the other hand, increased by 21% YoY, in light of the persistent increase in inflation and growth in staff costs following an upward review of employee incentives within the period. Despite this, we saw an improvement in our cost-to income ratio from 59.9% in the prior year to 48.1%.

We continue to support the growth of our clients by providing solutions that aid their expansion. Stanbic IBTC Bank successfully processed the first inbound commercial transaction on the Pan African Payment and Settlement System (PAPSS) in Nigeria, an initiative of the African Union and the African Continental Free Trade Area (AfCFTA) Secretariat, designed to promote intra-African trade and economic integration. This demonstrates our efforts to provide our clients with efficient and secure payment and settlement solutions across Africa. We will continue to leverage our expertise to provide solutions that enable our clients unlock the full potential of the African market.

We also demonstrated our support for women empowerment through the launch of our Blue Blossom community for Nigerian women in a bid to provide them with invaluable benefits that meet their unique needs. We launched the Blue Blossom

Community to enable women access financial and non-financial services, such as investments, retirement services, children accounts, free access to capacity-building sessions and other special events. Members of this community will enjoy benefits such as free business clinics, career or business development sessions, mentorship through masterclasses, access to CHES account for their children and access to the market.

Again, we retained our Fitch AAA (nga) rating, re-affirming our position as the only financial services provider in Nigeria with the highest rating from a global rating agency.

Achieving our ESG and sustainability goal is crucial to fulfilling our promise of doing business the right way. In the first half of the year, we demonstrated commitment towards promoting financial inclusion, inclusive quality education, and climate action. We organised 83 financial awareness sessions, with about 3,500 participants to promote financial literacy in Nigeria. We also made donations and provided scholarships to support the education sector. This is in addition to the credit facilities of over ₦1.37 billion disbursed to educational service providers in Nigeria. As a way of supporting the achievement of net zero emissions, we recycled about 7.3 tonnes of waste papers in return for tissue papers and 44 office locations out of 187 ran on solar powered energy solutions in the first half of 2023.

We have made very good progress in the first half of the year and we will continue to work towards the delivery of our guidance for 2023.”

Financial highlights

Financial position

- Total assets increased by 47% to ₦4.45 trillion (December 2022: ₦3.03 trillion)
- Gross loans and advances up 37% to ₦1.70 trillion (December 2022: ₦1.24 trillion)
- Non-performing loan to total loan ratio of 2.34% (December 2022: 2.4%)
- Customer deposits increased by 32% to ₦1.64 trillion (December 2022: ₦1.25 trillion)
- Deposit mix improved to 74.0% (December 2022: 71.7%) of current-and-savings-accounts deposits to total deposits.

Income statement

- Net interest income of ₦72.68 billion, up 44% (H1 2022: ₦50.35 billion)
- Non-interest revenue of ₦98.62 billion, up 57% (H1 2022: ₦62.96 billion)
- Total operating income of ₦171.30 billion, up 51% (H1 2022: ₦113.31 billion)
- Profit before tax of ₦82.99 billion, up 108% (H1 2022: ₦39.98 billion)
- Profit after tax of ₦67.92 billion, up 121% (H1 2022: ₦30.67 billion)
- Cost to income ratio of 48.1% (H1 2022: 59.9%)
- Return on average equity (annualised) 32.5%
- Return on average assets (annualised) 3.9%

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 18% (Bank:14.6%), which is higher than the 11% minimum regulatory requirement.

The Group also maintained a strong and diversified funding base during the first half of 2023. The Group's liquidity ratio closed at 101.22%, well above the 30% regulatory minimum requirement, indicating the Group's commitment to 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.stanbicbtc.com/>