

FY 2022 Earnings Release

STERLING BANK PLC RELEASES AUDITED RESULTS FOR THE YEAR ENDED DECEMBER 31, 2022.



Lagos, December 31, 2022 – Sterling Bank Plc

(NSE: STERLNBANK / Reuters: STERLNB.LG / Bloomberg: STERLNB:A:NL) – the 'Bank' – a full service national commercial bank releases its audited results for the year ended December 31, 2022.

Chief Executive's Remarks

“2022 commenced with great expectations for global growth on the back of the recovery achieved in 2021. However, the outbreak of conflict in Eastern Europe disrupted supply chains, elevated inflation, and undermined growth globally. These developments also impacted the Nigerian economy. Despite the macroeconomic setbacks, our business showed remarkable resilience as we adapted to our new environment and continued to deliver value.

We launched the first Africa Social Impact Summit and unveiled the LAG ID partnership, the first state smart ID card product in West Africa, amongst other innovations. In 2022, we consolidated our investments in the Sterling franchise culminating in the approvals for restructuring into a holding company. The restructuring will empower us to accelerate our growth and facilitate our expansion into other permissible businesses, diversify our revenues, and enhance long-term stakeholder value.

Overall, the bank delivered a profit after tax of N19.3 billion for the year ended 31st December 2022, a 28.5% improvement on the corresponding period in 2021.” **Abubakar Suleiman**

REFLECTING ON OUR PERFORMANCE

Financial performance highlights

- Gross earnings grew by 16.6% to N175.1 billion against N150.2 billion reported in FY 2021. The change was a combination of a 25.7% increase in non-interest income and a 13.7% growth in interest income.
- We recorded a 14.4% growth in low-cost deposits leading to an improvement in the share of CASA to total deposits from 68.1% to 70.7%.
- Maintained robust capital and liquidity positions of 14.7% and 37.2%, respectively, way above the regulatory requirement.
- NPL ratio grew to 3.88%, in line with the heightened risk in the macroeconomic environment and our commitment to prudent risk management.
- Overall, the Bank grew its balance sheet by 14.4% to N1.9 trillion and achieved a growth of 28.5% in profit after taxes to reach N19.3 billion compared to the profit of N15.0 billion reported for FY 2021.
- The bank declared a dividend of 15k per share, representing a 10% dividend yield on the average stock price over the past year and a 50% improvement on the previous year's payout.

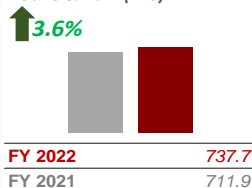
Other non-financials highlight

- Best Bank In Nigeria - according to market research by AFRINVEST
- Won the Great Place To Work Award for the 5th year in a row-Awarded by Great Place.

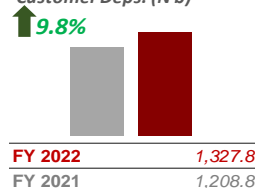
Ratios	FY 2022	FY 2021
Net Interest Margin	7.9%	7.1%
Cost-to-Income Ratio	74.5%	73.9%
Earnings per Share	67K	52k
Liquidity Ratio	37.2%	37.9%
Cost of Risk	1.0%	1.0%
Cost of Funds	3.6%	3.6%
Yield on Earning Assets	11.5%	10.7%
Return on Average Assets	1.1%	0.9%
Post-Tax Return on Average Equity	13.3%	11.3%
Pre-Tax Return on Average Equity	14.3%	12.1%
	Dec. 2022	Dec. 2021
Loan to Deposit Ratio	54.1%	58.5%
Non-Performing Loan Ratio	3.9%	0.7%
Coverage Ratio	104.0%	474.2%
Capital Adequacy Ratio (Basel 2)	14.7%	14.8%

FINANCIAL HIGHLIGHTS

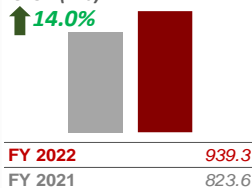
Loans & Adv. (N'b)



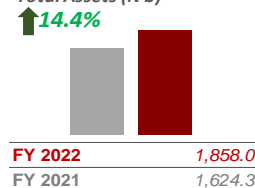
Customer Deps. (N'b)



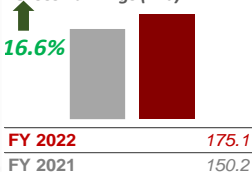
CASA (N'b)



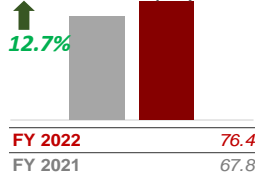
Total Assets (N'b)



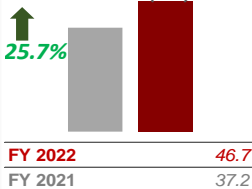
Gross Earnings (N'b)



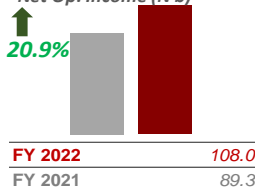
Net Int. Income (N'b)



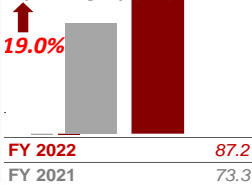
Non-Int. Income (N'b)



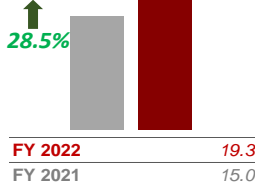
Net Op. Income (N'b)



Operating Exp (N'b)



PAT (N'b)



About Sterling Bank

Sterling Bank Plc is a leading national commercial banking establishment in Nigeria. It commenced operations as NAL Bank in 1960. Today, with over N1.9 trillion in total assets, 140 business offices, and almost 700 ATMs nationwide, Sterling Bank has grown into a major financial institution. The Bank prides itself as 'Your one-customer bank' that celebrates each customer as a unique individual. For further information, please visit <http://www.sterling.ng>

Forward-Looking Statements

This release may contain forward-looking statements, which reflect Sterling Bank's current views with respect to, amongst other things, the Bank's operations and financial performance. These forward-looking statements may be identified by the use of words such as "outlook", "believes", "expects", "potential", "continues", "may", "will", "should", "seeks", "approximately", "predicts", "intends", "plans", "estimates", "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Sterling Bank believes these factors include but are not limited to those described in its audited Annual Report for the financial year ended December 31, 2022. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release. Sterling Bank undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

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