

SUMMARY FINANCIAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023



The Directors present the summary financial information of Sterling Financial Holdings Company Plc and its subsidiaries (together "the Group") for the year ended 31 December 2023. These summary financial information are derived from the full financial statements for the year ended 31 December 2023 and are not the full financial statements of the Group and the Company. The Company's independent Auditors issued an unmodified audit opinion on the full consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2023 from which these summary financial information were derived.


Extracts of Financial Statements


CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

In millions of Naira	GROUP		COMPANY	
	31 Dec. 2023	31 Dec. 2022	31 Dec. 2023	31 Dec. 2022
ASSETS				
Cash and balances with Central Bank of Nigeria	604,599	431,488	-	-
Due from banks	234,953	86,459	8,696	-
Pledged assets	11,272	23,098	-	-
Derivative financial assets	276	807	-	-
Loans and advances to customers	895,822	737,735	-	-
Investment in securities:				
- Financial assets at fair value through profit or loss	2,112	921	-	-
- Debt Instruments at fair value through other comprehensive income	316,204	230,636	-	-
- Equity Instruments at fair value through other comprehensive income	36,906	25,227	-	-
- Debt instruments at amortised cost	130,730	106,889	-	-
Investment in subsidiary	-	-	151,654	-
Other assets	242,110	171,911	411	-
Property, plant and equipment	31,987	17,913	296	-
Right-of-use asset	9,103	8,342	-	-
Investment property	4,790	5,584	-	-
Intangible assets	721	950	-	-
Deferred tax assets	9,507	7,005	-	-
	2,531,092	1,854,965	161,057	-
Non-current assets held for sale	-	3,027	-	-
TOTAL ASSETS	2,531,092	1,857,992	161,057	-
LIABILITIES				
Deposits from banks	-	37,178	-	-
Deposits from customers	1,842,815	1,327,805	-	-
Current income tax payable	1,468	1,607	3	-
Other borrowed funds	208,685	133,270	-	-
Debt securities issued	33,959	42,388	-	-
Other liabilities	257,910	160,257	612	-
Provisions	724	1,489	-	-
Deferred tax liabilities	1,927	-	-	-
	2,347,488	1,703,994	615	-
EQUITY				
Share capital	14,395	14,395	14,395	-
Share Premium	42,759	42,759	42,759	-
Retained earnings	42,506	44,922	8,788	-
Other components of equity	83,944	51,922	94,500	-
	183,604	153,998	160,442	-
TOTAL LIABILITIES AND EQUITY	2,531,092	1,857,992	161,057	-

The consolidated and separate financial statements were approved by the Board of Directors on 22 March, 2024 and signed on its behalf by:


Adebimpe Olamiwonnu, FCA
Chief Finance Officer
FRC/2013/PRO/ICAN/001/00000001253


Yemi Odubiyi
Group Managing Director
FRC/2013/PRO/DIR/003/00000001279


Adeyemi Adeola
Chairman
FRC/2014/PRO/DIR/003/00000009975

CONSOLIDATED AND SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In millions of Naira	GROUP		COMPANY	
	2023	2022	2023	2022
Gross earnings	221,773	175,140	14,895	-
Interest income using effective interest rate	156,102	128,434	183	-
Interest expense using effective interest rate	(72,718)	(52,042)	-	-
Net interest income	83,384	76,392	183	-
Fees and commission income	34,956	28,384	-	-
Fees and commission expense	(8,850)	(6,009)	-	-
Net fee and commission income	26,106	22,375	-	-
Net trading income	20,794	7,692	-	-
Other operating income	9,921	10,630	14,712	-
Credit loss expenses	(12,335)	(9,122)	-	-
Personnel expenses	(22,982)	(16,944)	(267)	-
Operating expenses	(59,474)	(52,502)	(1,461)	-
Depreciation and amortisation	(4,814)	(4,879)	(22)	-
Other property, plant and equipment costs	(17,907)	(12,885)	(29)	-
Profit before income tax expense	22,693	20,757	13,116	-
Income tax expense	(1,109)	(1,459)	(9)	-
Profit for the year	21,584	19,298	13,107	-
Other comprehensive income:				
Items that will not be reclassified to profit or loss in subsequent period:				
Other comprehensive income:				
- Revaluation gains on equity instruments at fair value through other comprehensive income:	6,956	5,648	-	-
- Total items that will not be reclassified to profit or loss in subsequent period	6,956	5,648	-	-
Items that may be subsequently reclassified to profit or loss:				
Debt instruments at fair value through other comprehensive income:				
- Net change in fair value during the year	4,598	(4,610)	-	-
- Changes in allowance for expected credit losses	787	(18)	-	-
Net gains/(losses) on debt instruments at fair value through other comprehensive income	5,385	(4,628)	-	-
Other comprehensive income for the year, net of tax	12,341	1,020	-	-
Total comprehensive income for the year, net of tax	33,925	20,318	13,107	-
Key financial information				
Non-performing loans to total gross loans and advances (%)	5%	4%	-	-
Basic and diluted earnings per share (Naira)	75k	67k	46k	-
Dividend per share proposed	0k	15k	0k	-

Below is a breakdown of complaints received and resolved by the Banking subsidiaries during the year 31 December 2023 pursuant to CBN circular dated 16 August 2011.

Description	Number	Amount claimed	Amount refunded
		In millions of Naira	
Pending complaints brought forward	7,995	3,777	N/A
Received complaints	648,251	101,869	297
Total complaints	656,246	105,646	297
Resolved complaints	(651,105)	(101,315)	297
Unresolved complaints escalated to CBN for intervention	-	-	N/A
Unresolved complaints pending with the bank carried forward	5,141	4,331	N/A

Independent Auditor' Report on Summary Consolidated and Separate Financial Statements To The Shareholders of Sterling Financial Holdings Company Plc

Opinion

The summary consolidated and separate financial statements of **Sterling Financial Holdings Company Plc** which comprise the summary consolidated and separate statements of financial position as at 31 December 2023, the summary consolidated and separate statements of profit or loss and other comprehensive income for the year then ended are derived from the audited consolidated and separate financial statements of **Sterling Financial Holdings Company Plc** for the year ended 31 December, 2023.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects with the audited consolidated and separate financial statements of **Sterling Financial Holdings Company Plc**, in accordance with the requirements of the Companies and Allied Matters Act 2020, for abridged reports, the Banks and Other Financial Institutions Act 2020, Central Bank of Nigeria regulatory guidelines and circular, Shariah Governance Requirements issued by Central Bank of Nigeria Financial Regulation Advisory Council of Expert and other relevant standards issued by Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI), and the Financial Reporting Council of Nigeria (Amendment) Act, 2023 as applicable to summary financial statements.

Other Matter

We have not audited the report on the resolution of customers' complaints by management included in the accompanying summary financial statements and accordingly do not express any opinion thereon.

Summary Consolidated and Separate Financial Statements

The summary consolidated and separate financial statements do not contain all disclosures required by the International Financial Reporting Standards, Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023 and Central Bank of Nigeria guidelines and circulars, Shariah Governance Requirements issued by Central Bank of Nigeria Financial Regulation Advisory Council of Expert and other relevant standards issued by Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as applicable to annual financial statements. Therefore, reading the summary financial statements and the auditor's report thereon is not a substitute for reading the audited consolidated and separate financial statements of **Sterling Financial Holdings Company Plc** and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effect of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Consolidated and Separate Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on those consolidated and separate financial statements in our report dated 29 May, 2024. That report also includes the communication of a key audit matter. Key audit matters are those matters that in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current year.

Directors' Responsibility for the Summary Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and presentation of an appropriate summary of the audited consolidated and separate financial statements in accordance with the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023, the Central Bank of Nigeria guidelines and circulars, Shariah Governance Requirements issued by Central Bank of Nigeria Financial Regulation Advisory Council of Expert and other relevant standards issued by Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as applicable to the summary financial statements. The Companies and Allied Matters Act require abridged reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS).

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent in all material respects with the audited consolidated and separate financial statements based on our procedures which were conducted in accordance with International Standards on Auditing (ISA) 810 revised "Engagement to report on Summary Financial Statements".

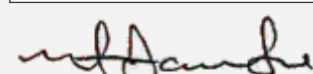
Report on Other Legal and Regulatory Requirements

In accordance with our full audit report, we confirm that:

- We did not report any exceptions under the fifth schedule of the Companies and Allied Matters Act 2020.
- Details of the related party transactions and balances as defined in Central Bank of Nigeria circular BSD/1/2004 are as reported in the related note to the financial statements,

During the year, the Group contravened certain sections of the Banks and Other Financial Institutions (BOFIA) Act CAP B3 LFN 2020 and CBN circular/guidelines. Details of the contravention and related penalties are as stated below.

Circular/Letters	Nature of contravention	Penalty N' million
BSD/MEG/CON/MDL/001/106	AML/CFT/CPF Risk Based Examination (May 1, 2022 - April 30, 2023)	24.75
BSD/MEG/CON/MDL/001/118	2021 and 2022 Cybersecurity Self Assessment Report	4.00
		28.75



For: Deloitte & Touche Nigeria
Chartered Accountants
Lagos, Nigeria
29 May, 2024
Engagement partner:
Michael Daudu, FCA
FRC/2013/PRO/ICAN/004/000000008

