

# H1 2023 Earnings Release



STERLING FINANCIAL HOLDINGS COMPANY PLC RELEASES  
UNAUDITED RESULTS FOR THE HALF-YEAR ENDED JUNE 30, 2023.

Lagos, June 30, 2023

(NSE: STERLINGNG / Bloomberg: STERLING:NL)–

a Nigerian financial holding company releases its unaudited results for the quarter ended June 30, 2023.

## Group Chief Executive's Remarks

"The opening half of the year was generally slow, arising from the electioneering season and the subsequent reforms introduced in the petroleum and foreign exchange markets. We recorded improvement across significant performance indicators.

In this period, Sterling achieved a significant milestone by concluding its transformation to a financial holdings company listed on the floor of the Nigerian exchange. I am pleased to share our company's interim account results for the first half of this year, 2023.

Overall, our profit after tax of N10.7 billion for the half year ended 30th June 2023 is an improvement of 33.3% on the corresponding period in 2022

" Yemi Odubiyi."

## REFLECTING ON OUR PERFORMANCE

### Financial performance highlights

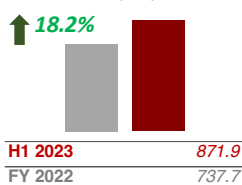
- Gross earnings grew by 26.4% to N99.1 billion when compared with N78.4 billion reported in H1 2022. This was primarily due to a 29.9% increase in interest income, a 102.5% growth in trading income, and a 10.5% increase in fees & commission.
- We recorded a growth in total deposits by 14.0% and 27.5% YTD growth in low-cost funds, which improved our CASA mix to 79.1% from 70.7%(FY 2022).
- Loans & advances increased by 18.2% YTD to N871.9 billion, while the NPL ratio remained at 3.2%.
- OPEX grew by 28.5%, we maintained a strong capital and liquidity position recording 12.4% and 32.9%, respectively, above the regulatory benchmark
- Overall, the Bank achieved a growth of 33.3% in profit after taxes to arrive at N10.7 billion compared to the profit of N8.0 billion reported for H1 2022.

### Other non-financial highlights

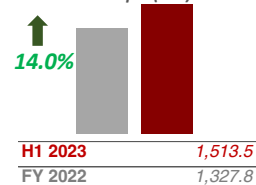
- Refined & Repurposed: We achieved a significant milestone in our journey to becoming Sterling Financial Holdings.

## REFLECTING ON OUR PERFORMANCE

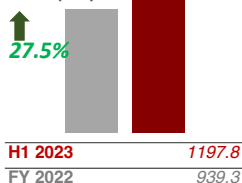
### Loans & Adv. (N'b)



### Customer Deps. (N'b)



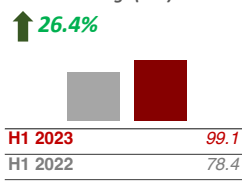
### CASA (N'b)



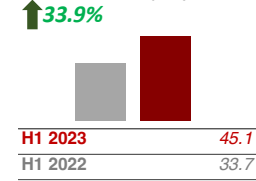
### Total Assets (N'b)



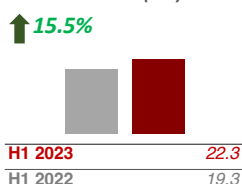
### Gross Earnings (N'b)



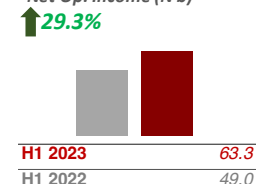
### Net Int. Income (N'b)



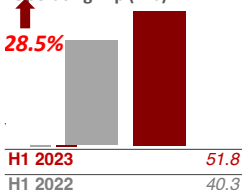
### Non-Int. Income (N'b)



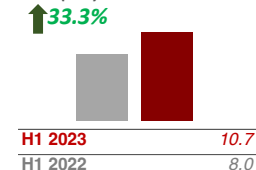
### Net Op. Income (N'b)



### Operating Exp (N'b)



### PAT (N'b)



Ratios	H1 2023	H1 2022
Net Interest Margin	8.9%	7.3%
Cost-to-Income Ratio	76.8%	76.1%
Earnings per Share	37k	28k
Liquidity Ratio	32.9%	37.2%
Cost of Risk	0.8%	1.0%
Cost of Funds	3.7%	3.6%
Yield on Earning Assets	12.7%	10.9%
Return on Average Assets	1.0%	0.9%
Post-Tax Return on Average Equity	13.3%	11.1%
Pre-Tax Return on Average Equity	14.3%	12.0%
	Jun. 2023	Dec. 2022
Loan to Deposit Ratio	53.4%	54.1%
Non-Performing Loan Ratio	3.2%	3.9%
Coverage Ratio	113.6%	104.0%
Capital Adequacy Ratio (Basel 2)	12.4%	14.7%



## About Sterling Financial Holdings Company PLC

Sterling Financial Holdings Company PLC is a Nigerian financial holding company with two primary subsidiaries: Sterling Bank PLC, which offers commercial banking services, and Alternative Bank Limited, which operates as a Non-Interest Banking (NIB) business. 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 has grown into a major financial institution and 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 Financial Holdings Company Plc's current views with respect to, amongst other things, the 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 Financial Holdings Company Plc believes these factors include but are not limited to those described in its interim report for the half year ended June 30, 2023. 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 Financial Holdings Company plc 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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