

# Q1 2022 Earnings Release

STERLING BANK PLC RELEASES UNAUDITED RESULTS FOR THE QUARTER ENDED MARCH 31, 2022.



Lagos, March 31, 2022 – Sterling Bank Plc

(NSE: STERLNBANK / Reuters: STERLNB.LG / Bloomberg: STERLNBA:NL) – the ‘Bank’ – a full service national commercial bank releases its unaudited results for the quarter ended March 31, 2022.

## Chief Executive's Remarks

“The year commenced with great expectations for growth globally on the back of the recovery achieved in 2021. However, the outbreak of conflict in eastern Europe had resulted in elevated energy prices, stoked inflation globally and undermined the expected pace of economic growth. In Nigeria, this development in addition to supply chain disruptions impacted prices further and resulted in rising inflation.

Despite the macroeconomic setbacks, our business showed remarkable resilience as we adapted to our new environment and continued to deliver value to all stakeholders. Our customer-centric strategy has enabled us to continue to support our partners through innovative product offerings.

Overall, we closed with a profit after tax of N3.5 billion in the first quarter of the year, a 47.9% improvement on the corresponding period in 2021.”

Abubakar Suleiman

## REFLECTING ON OUR PERFORMANCE

### Financial performance highlights

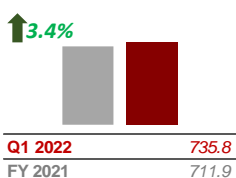
- Gross earnings grew by 23.2% to N38.1 billion as against the N30.9 billion reported in Q1 2021. This was primarily due to a 43.3% increase in operating income driven by a 17.5% growth in net interest income and a 40.5% increase in fees & commission.
- While we maintain deposit level, we have achieved a 6.4% YTD growth in low-cost funds which improved our CASA mix to 72.5% from 68.1% (FY 2021).
- OPEX grew by 21.3% driven by an increase in general and administrative expenses, and other operating expenses such as the AMCON surcharge.
- Loans & advances increased by 3.4% YTD to N735.8 billion as cost of risk increased marginally by 20 bps to 1.1%. The NPL ratio remained stable at 0.8%.
- Overall, the Bank grew its balance sheet by 2.1% to N1.66 trillion and achieved a 47.9% growth in profit after taxes to reach N3.5 billion compared to the profit of N2.4 billion reported for Q1 2021.

### Other non-financials highlights

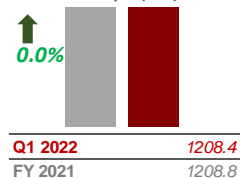
- Digital platform Q1 2022: Activ8 is a platform that has been launched to provide members direct access to year-round discounts across every aspect of their lifestyle, health, insurance, travel, entertainment, fashion, and finance.

## FINANCIAL HIGHLIGHTS

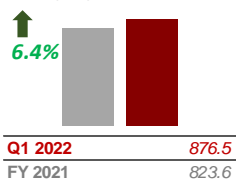
### Loans & Adv. (N'b)



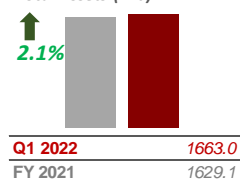
### Customer Deps. (N'b)



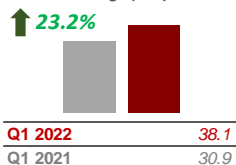
### CASA (N'b)



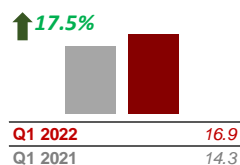
### Total Assets (N'b)



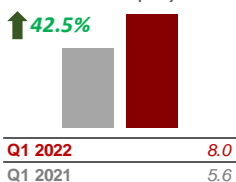
### Gross Earnings (N'b)



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



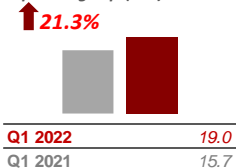
### Non Int. Income (N'b)



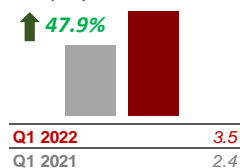
### Other Op Inc. (N'b)



### Operating Exp (N'b)



### PAT (N'b)



Ratios	Q1 2022	Q1 2021
Net Interest Margin	7.4%	6.7%
Cost-to-Income Ratio	76.6%	78.6%
Earnings per Share	12k	8k
Liquidity Ratio	31.0%	30.2%
Cost of Risk	1.1%	0.9%
Cost of Funds	3.9%	3.2%
Yield on Earning Assets	11.3%	9.9%
Return on Average Assets	0.9%	0.6%
Post-Tax Return on Average Equity	9.8%	6.6%
Pre-Tax Return on Average Equity	10.3%	6.9%
	<b>Mar. 2022</b>	<b>Dec. 2021</b>
Loan to Deposit Ratio	57.3%	58.5%
Non-Performing Loan Ratio	0.8%	0.7%
Coverage Ratio	432.4%	474.2%
Capital Adequacy Ratio (Basel 2)	14.7%	14.8%

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## 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 trillion in total assets, 141 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, 2020. 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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