

Q3 2022 Earnings Release

STERLING BANK PLC RELEASES UNAUDITED RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2022.



Lagos, September 30, 2022 – Sterling Bank Plc

(NSE: STERLNBANK / Reuters: STERLNB.LG / Bloomberg: STERLNB:NL) – the ‘Bank’ – a full service national commercial bank releases its unaudited results for the quarter ended September 30, 2022.

Chief Executive's Remarks

“In line with our Bank’s plan to transform into a Holding Company, our shareholders approved the resolutions necessary to give effect to the restructuring on September 19, 2022. We are grateful to all our stakeholders for their patience and support as we await the final approval from our regulators.

The restructuring will empower us to accelerate our growth riding on our ethos of Specialization, Partnership, and Digitization. It will also 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 N13.4 billion in the third quarter of the year, a 41.6% improvement on the corresponding period in 2021.” **Abubakar Suleiman**

REFLECTING ON OUR PERFORMANCE

Financial performance highlights

- Gross earnings grew by 14.3% to N119.6 billion against N104.7 billion reported in Q3 2021. The change was a combination of a 34.8% increase in non-interest income and a 14.3% growth in net interest income.
- We recorded a 9.8% growth in low-cost deposits leading to an improvement in the share of CASA to total deposits from 68.1% to 72.3%.
- OPEX grew by 19.0%, driven by an increase in general administrative expenses and other operating expenses, including AMCON charges and contract services.
- Cost-to-income ratio y-o-y declined to 75.7% from 76.8% despite a 19.0% increase in operating expenses.
- Maintained robust capital and liquidity positions of 14.8% and 31.7% respectively.
- Overall, the Bank grew its balance sheet by 10.8% to N1.8 trillion and achieved a growth of 41.6% in profit after taxes to reach N13.4 billion compared to the profit of N9.5 billion reported for Q3 2021.

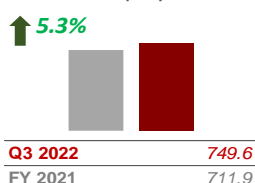
Other non-financials highlights

- Best Work-Life Harmony 2022 – Awarded by HR People Magazine Awards
- 30 Best Workplaces for Mums to work in Nigeria 2022 – Awarded by Babymigosison, growth, and development

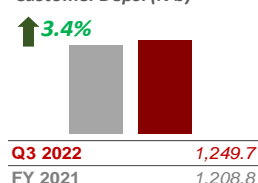
Ratios	Q3 2022	Q3 2021
Net Interest Margin	8.0%	7.5%
Cost-to-Income Ratio	75.7%	76.8%
Earnings per Share	47K	33k
Liquidity Ratio	31.7%	37.7%
Cost of Risk	0.9%	0.9%
Cost of Funds	3.3%	3.9%
Yield on Earning Assets	11.3%	11.6%
Return on Average Assets	1.0%	0.9%
Post-Tax Return on Average Equity	12.3%	9.3%
Pre-Tax Return on Average Equity	13.2%	9.7%
	Jun. 2022	Dec. 2021
Loan to Deposit Ratio	56.2%	58.5%
Non-Performing Loan Ratio	1.3%	0.7%
Coverage Ratio	295.7%	474.2%
Capital Adequacy Ratio (Basel 2)	14.8%	14.8%

FINANCIAL HIGHLIGHTS

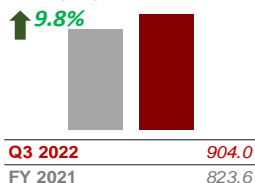
Loans & Adv. (N'b)



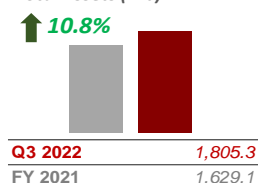
Customer Deps. (N'b)



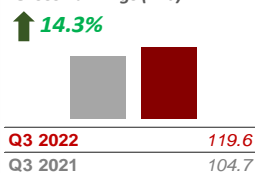
CASA (N'b)



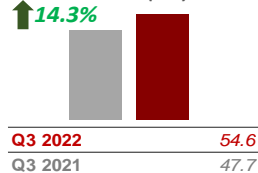
Total Assets (N'b)



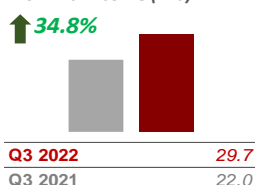
Gross Earnings (N'b)



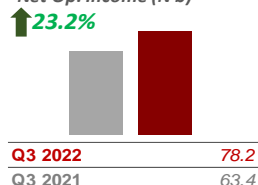
Net Int. Income (N'b)



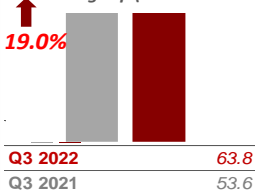
Non-Int. Income (N'b)



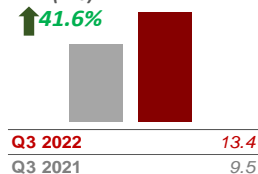
Net Op. Income (N'b)



Operating Exp (N'b)



PAT (N'b)



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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, 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, 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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