

ANNUAL RESULTS

for the year ended 31 December 2022

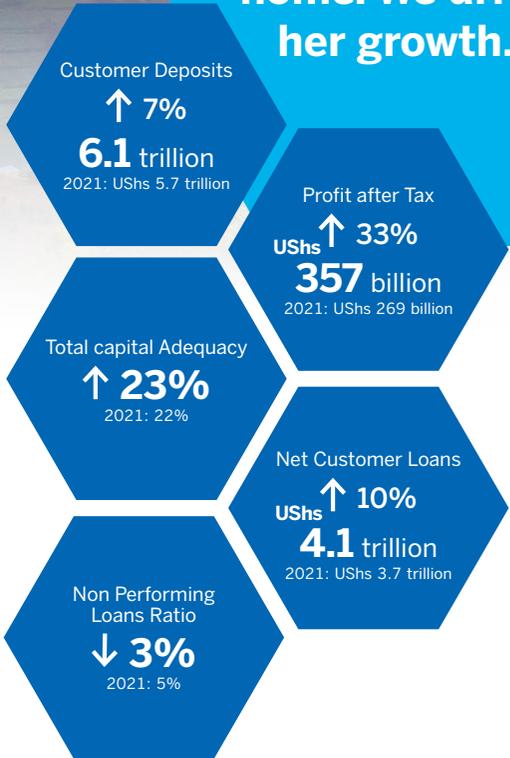


Uganda is our home. We drive her growth.

Our 2022 results are a testament of the resilience of our business. Despite the prolonged uncertainty of the global and local economy, we closed the year with a strong performance, and delivered a return on equity of 22%, well above our target of 20% and an improvement from 19% in 2021.



Andrew Mashanda
Chief Executive,
Stanbic Uganda Holdings Limited



This consistent delivery of solid results reflects our unwavering commitment to a meticulous execution of our strategy, whose core pillars include revenue growth, people development and a disciplined approach to cost management while investing for growth.

Our performance continues to be underpinned by our banking subsidiary which posted strong results across all key performance indicators. The Bank Chief Executive Ms. Anne Juuko provides deeper insights into this stellar performance.

The new subsidiaries which have been in operation for two years now continued to make significant strides towards sustainability, the challenging operating environment notwithstanding. Stanbic Properties Limited remains profitable and is executing various projects geared towards revamping our real estate portfolio. Flyhub received its first revenues during the year and continues to pursue more opportunities as businesses explore ways to become more efficient

through automation. Our SBG Securities Uganda Limited revenues were impacted largely by a drop in capital markets activity, we remain optimistic about its potential as the diversification into asset management is implemented. Stanbic Business incubator continued to execute on its mandate, as a beacon of SME capacity development in Uganda.

While various indicators point to possibilities of further shocks both globally and locally in 2023, we will continue to focus on our strategic priorities of continuous improvement our customer experience, executing with excellence and prudent cost management. In so doing we shall sustainably deliver returns to our shareholders. Our focus on these priorities have proved effective, and robust and it is a sustained focus on these priorities that will position us suitably for any changes in the environment and ultimately enable us to realise our purpose of driving the growth of our homeland, Uganda.



Delighted to have served 2 million Ugandans through SACCOs and collected UShs. 7 trillion in taxes on behalf of government

Anne Juuko Chief Executive, Stanbic Bank Uganda Limited

I am pleased with the bank's robust performance in 2022, a year in which we registered notable progress on enabling the aspirations of our various stakeholders, including customers, shareholders, staff, government, and the community in which we live and work.

We manifested our purpose of driving Uganda's growth through partnerships and our own efforts, in ways that directly and indirectly benefited millions of Ugandans and supported the country's post-pandemic economic recovery.

Without diluting the severity of the emerging global and local challenges to our economy, we would like to celebrate the success stories of our customers registered in 2022, most of which are sustained dividends from our Covid-19 interventions implemented between 2020 and 2021.

The bank can confidently report that these efforts paid off for customers. For instance, in 2022, the value of restructured loans—as a result of the pandemic, considerably reduced from UShs 197 billion to UShs 14.5 billion, while bad loans in the same pool docked at UShs 26 billion.

As a result of the economic recovery of our customers, we saw a 9.8 per cent growth in demand for new credit in 2022 with the volume of disbursed loans increasing to 77,819 worth UShs 4.0 trillion from 63,639

approved applications worth UShs 3.7 trillion disbursed in 2021.

Stanbic Uganda also continued to progress on its stated objective of providing meaningful employment opportunities for Ugandans; we hired more talent, increasing our head count from 1756 employees to 1907.

We also assigned ourselves a new target on diversity and inclusion where in the medium term we seek to have 10- per cent of our total workforce constituted of people living with disability.

This new target is inspired by our success on gender equality which was recognised and rewarded in 2022 with the Gold Gender Equality Seal by the United Nations Development Programme in partnership with the Private Sector Foundation.

Agriculture is still among the top five recipient sectors of Stanbic Bank Uganda's financing in 2022, accounting for **UShs 437 billion**.



We drove financial Inclusion reaching over 2 million Ugandans through SACCOs



We are also pleased to report that in 2022, we continued to invest in financial inclusion efforts that contributed to a 30 per cent increase in the volume of transactions, as compared to 2021.

In addition, our customer base grew to over a million clients. This growth was enabled by a combination of strategic partnerships, innovations in account / wallet (Flexipay) opening and product calibration.

A partnership worthy of mention is with the government's Operation Wealth Creation and other development partners where notable success is noted in enabling access to our credit and capacity building through Savings and Credit Cooperatives (SACCO). We currently bank over 6100 SACCOs with a combined membership of nearly 2 million Ugandans across the country.

These SACCOs have accessed affordable credit through our multi-stakeholder Economic Enterprise Restart Fund (EERF) to the tune of US\$ 40 billion at interest rates as low as 10 per cent per annum for those involved in the agricultural space.

To ensure that these SACCOs serve their members efficiently and effectively, we continued to invest in their digitization and building strong governance structures that enable transparency and accountability.

Further to our financial inclusion work, we launched Stanbic4Her in 2022, aimed at supporting women-led businesses by extending business management training, networking opportunities, market-linkages, and access to affordable credit.

With support from the International Finance Corporation (IFC) we managed to close 2022 with over 18,500 women trained in the fundamentals of bookkeeping, tax reporting, and accounting, giving them the confidence to run their businesses.

It gives us great pleasure to also report that over 11,000 small businesses have opened accounts with us in the past year, and that over 1,800 of them have already benefited from access to affordable credit at rates as low as 15.5 per cent.



We paid US\$ 272 billion in tax and collected US\$ 7.5 trillion more on behalf of government

We acknowledge that driving Uganda's growth requires supporting the government's efforts to mobilise tax revenues to access the resources required to invest in key development projects and enable service delivery.

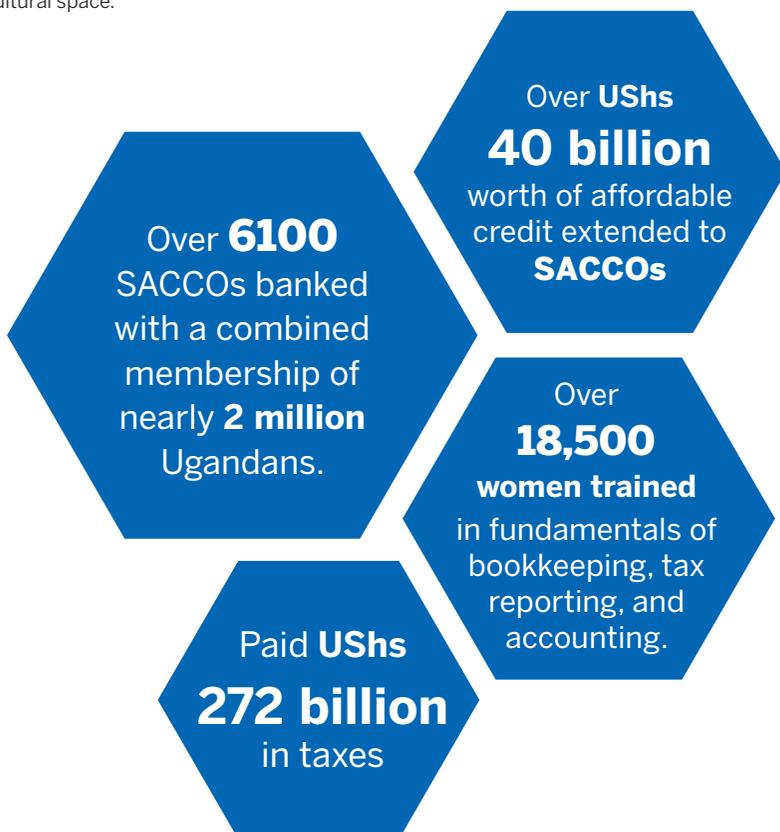
In 2022, Stanbic paid a total of US\$ 272 billion in taxes, making us the biggest taxpayer in the country's banking sector. We are also pleased to have used the bank's countrywide branch and agent banking network, as well as digital self-service channels to facilitate Ugandan taxpayers.

Stanbic Bank remitted US\$ 7.5 trillion to Uganda revenue authority in 2022, representing 33 per cent of total remittances to government by the entire banking industry.

Lending being Stanbic Bank's primary business, we acknowledge that credit is the lifeblood of the economy which effectively helps to drive Uganda's growth that is

why our credit is intentionally directed to sectors that have highest potential to drive economic activity.

Provision of credit facilities is critical to enabling growth through investment. Accordingly, we are pleased to share that Agriculture is still among the top five recipient sectors of Stanbic Bank Uganda's financing in 2022, accounting for US\$ 437 billion, and this is in line with the country's key drivers of the economy. The other top recipients of our credit last year are household/consumer lending accounting for US\$ 1.04 trillion, trade at US\$ 663 billion, real estate at US\$ 573 billion and transport/telecommunications at US\$ 417 billion.



Going forward

We would like to acknowledge the emerging challenges in the local and international operating environment which could potentially slow down the pace of growth we registered in 2022.

Our objective, in the coming year and beyond, will be to sustain the pace of our growth by strengthening our operating risk management capabilities and improving operational efficiency, and remain focused on solutioning for the customer to unlock growth opportunities for them.

We remain committed to driving sustainable shared value that is equitable and inclusive achieving this requires firm focus on financial inclusion, which involves ensuring that as many people as possible have access to financial services.

We shall achieve this aspiration through our platforms including—FlexiPay, SACCO financing, Stanbic for Her, OneFarm, and MediProtect programmes which are designed to drive socioeconomic transformation for traditionally excluded groups.

ANNUAL RESULTS

for the year ended 31 December 2022



SUMMARY CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

	GROUP	
	2022 UShs' 000	2021 UShs' 000
Interest income	635,024,818	543,994,626
Interest expense	(45,612,036)	(45,968,548)
Net interest income	589,412,782	498,026,078
Fee and commission income	190,979,159	173,617,048
Fee and commission expenses	(14,104,774)	(8,857,656)
Net fees and commission income	176,874,385	164,759,392
Net trading income	261,425,547	233,701,721
Other gains/ (losses) on financial instruments	-	(3,295)
Other operating income	10,186,159	6,998,552
Total income before credit impairment charge	1,037,898,873	903,482,448
Impairment charge for credit losses	(59,572,490)	(70,407,666)
Total income after credit impairment charge	978,326,383	833,074,782
Employee benefits expense	(212,397,514)	(178,547,838)
Depreciation and amortisation	(49,377,991)	(48,059,045)
Other operating expenses	(233,514,804)	(255,257,740)
Profit before income tax	483,036,074	351,210,159
Income tax expense	(125,655,166)	(81,898,067)
Profit for the year	357,380,908	269,312,092
Earnings per share for profit attributable to the equity holders of the Group during the year (expressed in UShs per share):		
Basic & diluted	6.98	5.26

SUMMARY CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	GROUP	
	2022 UShs' 000	2021 UShs' 000
Profit for the year	357,380,908	269,312,092
Other comprehensive (loss)/income for the year after tax: Items that may be subsequently reclassified to profit and loss		
Net change in debt financial assets measured at fair value through other comprehensive income (OCI - IFRS 9)	(7,909,085)	20,551,757
Total comprehensive income for the year	349,471,823	289,863,849

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

GROUP	Share capital	Fair value through OCI reserve	Statutory Credit Risk Reserve	Proposed dividends	Retained earnings	Total
	UShs' 000	UShs' 000	UShs' 000	UShs' 000	UShs' 000	UShs' 000
Balance at 1 January 2022	51,188,670	18,038,214	-	50,000,000	1,414,076,353	1,533,303,237
Profit for the year	-	-	-	-	357,380,908	357,380,908
Other comprehensive loss after tax for the year	-	(7,909,085)	-	-	-	(7,909,085)
Transactions with owners recorded directly in equity						
Dividends paid	-	-	-	(50,000,000)	-	(50,000,000)
Interim dividends paid	-	-	-	-	(50,000,000)	(50,000,000)
Proposed dividends	-	-	-	185,000,000	(185,000,000)	-
Balance at 31 December 2022	51,188,670	10,129,129	-	185,000,000	1,536,457,261	1,782,775,060
Balance at 1 January 2021	51,188,670	(2,513,543)	-	95,000,000	1,099,764,261	1,243,439,388
Profit for the year	-	-	-	-	269,312,092	269,312,092
Other comprehensive income after tax for the year	-	20,551,757	-	-	-	20,551,757
Transactions with owners recorded directly in equity						
Proposed dividends transferred back to retained earnings	-	-	-	(95,000,000)	95,000,000	-
Proposed dividends	-	-	-	50,000,000	(50,000,000)	-
Balance at 31 December 2021	51,188,670	18,038,214	-	50,000,000	1,414,076,353	1,533,303,237

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	GROUP	
	2022 UShs' 000	2021 UShs' 000
Cash and balances with Bank of Uganda	1,085,102,127	984,530,697
Derivative assets	111,325,016	129,164,041
Trading assets	1,598,475,974	1,057,416,156
Pledged assets	5,504,897	3,840,314
Financial investments	1,255,700,950	844,345,030
Loans and advances to banks	296,044,517	1,106,122,016
Loans and advances to customers	4,085,001,025	3,722,073,070
Amounts due from group companies	228,474,116	401,399,239
Other assets	204,249,085	267,011,390
Deferred tax asset	46,097,001	46,355,807
Property, equipment and right of use assets	75,544,090	75,544,628
Goodwill and other intangible assets	67,428,584	82,293,413
Total assets	9,058,947,382	8,720,095,801
Shareholders' equity and liabilities		
Shareholders' equity		
Ordinary share capital	51,188,670	51,188,670
Fair value through other comprehensive income reserve	10,129,129	18,038,214
Retained earnings	1,536,457,261	1,414,076,353
Proposed dividends	185,000,000	50,000,000
Total shareholders' equity	1,782,775,060	1,533,303,237
Liabilities		
Derivative liabilities	149,082,358	205,061,504
Current tax liability	11,289,587	3,817,466
Deposits from customers	6,131,256,477	5,741,043,166
Deposits from banks	142,092,860	155,075,114
Amounts due to group companies	220,079,961	260,392,702
Borrowed funds	37,324,647	165,196,485
Subordinated debt	75,931,416	71,753,914
Other liabilities	509,115,016	584,452,213
Total liabilities	7,276,172,322	7,186,792,564
Total equity and liabilities	9,058,947,382	8,720,095,801

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SUMMARY CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	GROUP	
	2022 UShs' 000	2021 UShs' 000
Cash flows from operating activities		
Interest received	680,931,084	543,521,114
Interest paid	(49,171,375)	(45,616,592)
Net fees and commissions received	182,768,651	160,583,904
Net trading and other Income	298,672,213	248,832,500
Cash payment to employees & suppliers	(440,424,106)	(477,337,194)
Cash flows from operating activities before changes in operating assets & Liabilities	672,776,467	429,983,732
Changes in operating assets & liabilities		
Income tax paid	(114,491,967)	(83,593,142)
Decrease in derivative assets	17,839,025	31,753,085
Increase in financial investments	(375,206,699)	(744,556,343)
(Increase)/decrease in trading assets	(542,724,401)	501,219,810
Increase in cash reserve requirement	(117,610,000)	(60,350,000)
Increase in loans and advances to customers	(497,848,955)	(181,875,005)
Decrease/(increase) in other assets	56,868,039	(166,047,172)
Increase in customer deposits	393,772,650	247,211,676
Decrease in deposits and balances due to other banks	(12,982,254)	(630,402,329)
Decrease in deposits from group companies	(40,312,745)	(91,214,777)
Decrease in derivative liabilities	(55,979,146)	(24,671,907)
(Decrease)/increase in other liabilities	(83,985,333)	272,258,680
Net cash from operating activities	(699,885,319)	(500,283,692)
Cash flows from investing activities		
Purchase of property & equipment	(17,390,752)	(8,952,743)
Purchase of computer software	(297,435)	(3,887,241)
Proceeds from sale of property & equipment	335,638	73,898
Net cash used in investing activities	(17,352,549)	(12,766,086)
Cash flows from financing activities		
Principle lease payments	(11,573,882)	(21,133,035)
Dividends paid to shareholders	(100,000,000)	-
(Decrease)/Increase in borrowed funds	(127,871,838)	121,849,918
Increase/(decrease) in subordinated debt	4,177,502	(1,268,611)
Net cash used financing activities	(235,268,218)	99,448,272
Net decrease in cash and cash equivalents	(952,506,086)	(413,601,506)
Cash and cash equivalents at beginning of the year	2,036,943,287	2,450,544,793
Cash and cash equivalents at end of the year	1,084,437,201	2,036,943,287

MESSAGE FROM THE DIRECTORS

The above summary consolidated financial statements were audited by PricewaterhouseCoopers Certified Public Accountants and received an unmodified audit opinion. The consolidated financial statements were approved by the Board of Directors on 2 March 2023. A copy of the full financial statements will be found on our website, www.stanbic.ug by 12 May 2023.

DIVIDENDS

The Directors have resolved to recommend to shareholders at the forthcoming annual general meeting a final dividend for the year ended 31 December 2022 of UShs 3.61 per share totalling to UShs 185 billion. In addition, the Directors declared interim dividends of UShs 0.98 per share totalling to UShs 50 billion which were paid in the year. This final dividend will be paid upon receipt of regulatory approval.

Japheth Katto
ChairmanAndrew Mashanda
Chief ExecutiveRobert Busulwa
DirectorRita Kabatunzi
Company Secretary

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS OF STANBIC UGANDA HOLDINGS LIMITED

Our opinion

In our opinion, the accompanying summary consolidated financial statements of Stanbic Uganda Holdings Limited ("the Company") and its subsidiaries (together "the Group") are consistent, in all material respects, with the audited consolidated financial statements of the Group for the year ended 31 December 2022 and in accordance with the Uganda Securities Exchange Listing Rules, 2021.

The summary financial statements

The Group's summary consolidated financial statements derived from the audited consolidated financial statements for the year ended 31 December 2022 comprise:

- the summary consolidated statement of financial position as at 31 December 2022;
- the summary consolidated income statement for the year then ended;
- the summary consolidated statement of comprehensive income for the year then ended;
- the summary consolidated statement of changes in equity for the year then ended and;
- the summary consolidated statement of cashflows for the year then ended.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the Ugandan Companies Act.

Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The audited consolidated financial statements and our report thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements of the Group for the year ended 31 December 2022 in our report dated 28 March 2023. That report also includes the communication of key audit matters. Key audit matters are those which in our professional judgement, are of most significance in our audit of the audited consolidated financial statements of the current period.

Directors' responsibility for the summary consolidated financial statements

The Directors of the Company are responsible for the preparation of the summary consolidated financial statements in accordance with the Uganda Securities Exchange Listing Rules, 2021.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Certified Public Accountants

Kampala

28 March 2023

ANNUAL RESULTS

for the year ended 31 December 2022



REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS OF STANBIC BANK UGANDA LIMITED

Our opinion

In our opinion, the accompanying summary financial statements of Stanbic Bank Uganda Limited ("the Bank") are consistent, in all material respects, with the audited financial statements of the Bank for the year ended 31 December 2022, in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act 2004, as amended.

The summary financial statements

The Bank's summary financial statements derived from the audited financial statements for the year ended 31 December 2022 comprise:

- the summary statement of financial position as at 31 December 2022;
- the summary income statement for the year then ended; and
- other disclosures.

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards, the Financial Institutions Act 2004, as amended and the Ugandan Companies Act.

Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements of the Bank for the year ended 31 December 2022 in our report dated 28 March 2023. That report also includes the communication of key audit matters. Key audit matters are those which in our professional judgement, are of most significance in our audit of the audited financial statements of the current period.

Directors' responsibility for the summary financial statements

The Directors of the Bank are responsible for the preparation of the summary financial statements in accordance with the Financial Institutions (External Auditors) Regulations, 2010 and the Financial Institutions Act 2004, as amended.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Certified Public Accountants
Kampala
28 March 2023

SUMMARY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	2022 UShs' 000	2021 UShs' 000
Assets		
Cash and balances with Bank of Uganda	1,086,437,141	985,199,682
Balances with banking institutions	296,044,517	1,106,122,016
Due from parent/group companies	227,657,014	401,305,727
Marketable (trading) securities	1,598,475,974	1,057,416,156
Loans and advances (net)	4,085,001,025	3,722,073,070
Financial investments	1,245,836,265	848,185,344
Interest receivable and other assets	381,106,334	474,805,570
Property and equipment	73,348,387	76,166,502
Deferred tax asset	39,414,319	42,378,459
Total assets	9,033,320,976	8,713,652,526
Liabilities and shareholders' equity		
Customers' deposits	6,131,256,477	5,741,043,166
Balances due to banking institutions	142,092,860	155,075,114
Due to parent/group companies	258,931,209	313,774,950
Interest payable and other liabilities	672,018,331	933,340,448
Tax payable	23,166,019	15,328,748
Subordinated debt	75,931,416	71,753,914
Total liabilities	7,303,396,312	7,230,316,340
Share capital	153,566,009	51,188,670
Share premium	725,964,739	829,879,881
Retained earnings	645,264,788	529,229,421
Proposed dividends	195,000,000	55,000,000
Reserves	10,129,128	18,038,214
Total shareholders' equity	1,729,924,664	1,483,336,186
Total liabilities and shareholders' equity	9,033,320,976	8,713,652,526

SUMMARY INCOME STATEMENT FOR YEAR ENDED 31 DECEMBER 2022

	2022 UShs' 000	2021 UShs' 000
Interest on deposits and placements	10,024,953	3,824,943
Interest on loans and advances	495,231,549	443,024,926
Interest on marketable/trading securities	209,778,840	233,330,172
Interest on investment securities	129,244,043	97,144,757
Foreign exchange income	51,646,705	371,549
Net fees and commissions income	176,272,551	164,420,237
Other income	7,982,852	4,497,349
Total income	1,080,181,493	946,613,933
Expenditure		
Interest expense on deposits	31,740,381	34,156,107
Interest expense on borrowings	13,983,420	11,850,732
Provisions for bad and doubtful debts	59,572,490	70,407,666
Management fees	30,991,310	26,958,959
Operating expenses	449,628,082	443,598,831
Total expenditure	585,915,683	586,972,295
Profit before tax	494,265,810	359,641,638
Taxation	128,230,443	84,203,476
Profit after tax	366,035,367	275,438,162

OTHER DISCLOSURES

	2022 UShs' 000	2021 UShs' 000
Contingent liabilities		
Letters of credit	170,460,826	223,703,640
Guarantees and performance bonds	1,821,833,394	1,696,232,281
Total	1,992,294,220	1,919,935,921
Commitments		
Undrawn credit lines	1,536,881,106	1,237,793,640
Other commitments	444,380,538	328,917,790
Total	1,981,261,644	1,566,711,430
Non-performing loans and other assets	130,380,027	151,150,220
Interest in suspense	(13,121,670)	(13,690,593)
Bad debts written off	101,126,600	63,227,561
Large loan exposures	1,034,245,577	1,192,957,292
Insider loan exposures	6,198,757	43,343,708
Capital position:		
Core capital	1,368,081,471	1,275,340,193
Supplementary capital	137,882,136	129,199,183
Total qualifying capital	1,505,963,607	1,404,539,376
Total risk weighted assets (RWA)	6,425,003,825	6,415,439,123
Core capital to RWA	21.3%	19.9%
Total qualifying capital to RWA	23.4%	21.9%

MESSAGE FROM DIRECTORS

The above summary statement of financial position and summary income statement were audited by PricewaterhouseCoopers Certified Public Accountants and received an unqualified audit opinion. The financial statements were approved by the Board of Directors on 1 March 2023 and discussed with the Bank of Uganda on 10 March 2023.

Damoni Kitabire
Chairman

Anne Juuko
Chief Executive



KEY PERFORMANCE INDICATORS

for the year ended 31 December 2022

RETURN ON EQUITY (ROE)

22% ↑ 3%

2021: 19%

DIVIDENDS

US\$ 235 ↑ 370%

billion

2021: US\$ 50 billion

NON PERFORMING LOANS (NPL)

3% ↓ 2%

2021: 5%

COST TO INCOME RATIO (CTI)

48% ↓ 5%

2021: 53%

EARNINGS PER SHARE (US\$)

6.98 ↑ 1.7

2021: 5.26

CAGR: Compounded Annual Growth Rate

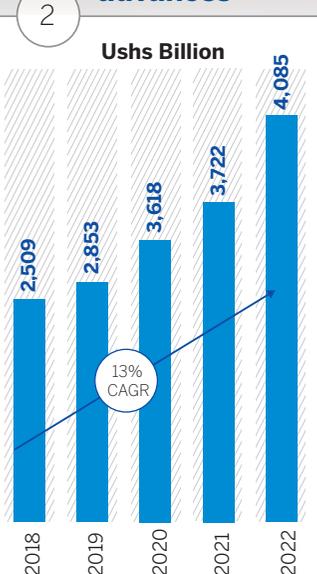
1 Deposits from customers



COMMENTARY

Customer deposits posted a strong growth of 7% year on year.

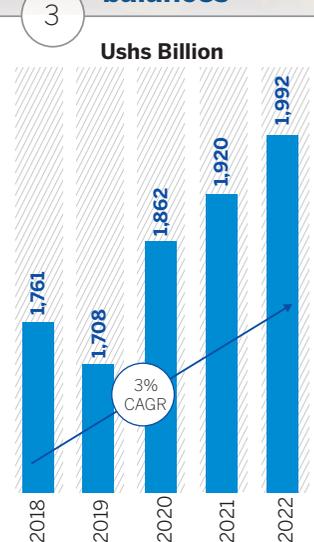
2 Net Loans and advances



COMMENTARY

Loans and advances grew by a strong 10% year on year.

3 Trade finance contingent balances



COMMENTARY

This grew by US\$ 72 billion (4%) year on year, with a market share of 42%. Trade contingent balances include off-balance sheet financial instruments such as guarantees, letters of credit and performance bonds.

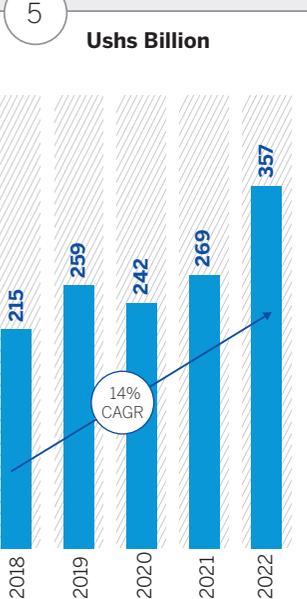
4 Total assets



COMMENTARY

Total assets grew by 4% enabled by continued customer deposit growth.

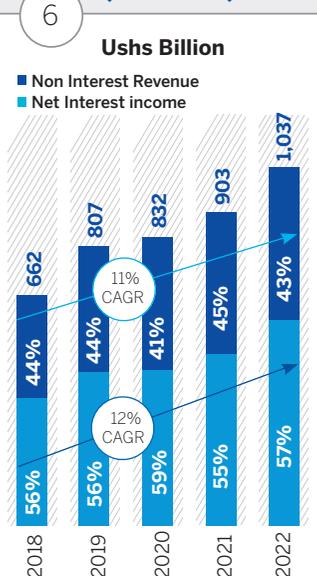
5 Profit After Tax



COMMENTARY

Profits grew by 33% to close the year at US\$ 357 billion.

6 Total revenue (NII/NIR)



COMMENTARY

Resilient growth on our diversified revenue streams with 11% 5-year CAGR on Non Interest Revenue and 12% 5-year CAGR on Net Interest Income.

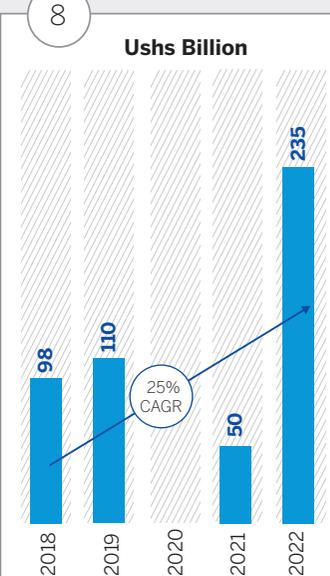
7 Total Costs



COMMENTARY

Costs increased by US\$ 13 billion (3%) to US\$ 495 billion largely inflation driven.

8 Dividends



COMMENTARY

Proposed dividends increased by 370% year on year to US\$ 235 billion (proposed dividends US\$ 185 billion and interim dividends paid US\$ 50 billion). Final dividend payment will be upon approval from the regulator.



RATIOS

Key Performance ratios	2022	2021	2020	2019	2018
Profitability					
Return on Average Assets, %	4.0%	3.1%	3.2%	4.3%	4.0%
Return on Average Equity, %	21.6%	19.4%	20.5%	25.0%	23.6%
Efficiency					
Cost/Income Ratio	47.7%	53.3%	50.6%	51.3%	54.8%
Personnel Costs/Total Operating Income	20.5%	19.8%	20.4%	20.4%	22.5%
PAT / Total Operating Income	34.4%	29.8%	29.1%	32.1%	32.6%
Liquidity					
Total Deposits /Total Assets	67.7%	65.8%	64.0%	71.0%	72.2%
Total Deposits /Total Liabilities	84.3%	79.9%	74.9%	85.3%	87.7%
Interbank Borrowings /Total Deposits	5.9%	6.5%	18.5%	7.1%	3.9%
Interest Earnings Assets/Total Assets	82.5%	81.8%	80.9%	78.0%	72.5%
Asset Quality					
NPLs/Total Gross Loans, %	2.9%	4.6%	4.7%	4.3%	5.3%
NPL Coverage Ratio	124.1%	95.6%	93.3%	91.0%	65.3%
Net loan growth	9.8%	2.9%	26.8%	13.7%	17.6%
Loan Loss reserve /Gross Loans, %	3.5%	4.4%	4.4%	3.9%	3.5%
Average Loan Loss reserve /Average Gross Loans%	3.9%	4.2%	4.0%	3.7%	3.2%
total assets growth	3.9%	1.6%	29.0%	23.3%	-0.2%
Capital Adequacy					
Core Capital / Risk Weighted Assets	21.3%	19.9%	15.8%	15.8%	16.2%
Total Qualifying Capital / Risk Weighted Assets	23.4%	21.9%	18.0%	18.2%	18.9%
Off Balance Sheet Items / Total Qualifying Capital	1.32	1.37	1.78	1.90	2.11
Market Sensitivity					
Forex Loans / Forex Deposits	64%	63%	67%	60%	67%
Forex Assets / Forex Liabilities	99%	99%	99%	99%	100%
Forex Loans / Gross Loans	37%	41%	42%	33%	37%
Forex Deposits / Total Deposits	45%	49%	47%	36%	38%
Selected Operating Data					
Full Time Employees	1,907	1,756	1,612	1,667	1,665
Number of Active Branches and Customer Service points	81	80	80	79	79
Number of ATMs	178	175	171	174	175
Number of POS Terminals	1,596	989	958	700	658
Number of accounts	637,694	572,168	559,145	551,703	522,972
Number of Agents	8,374	4,863	2,591	1,507	756

Profitability Ratios assess Stanbic's ability to generate earnings compared to the resources it deploys (e.g. cost, capital, assets invested in) over a certain period of time.

Efficiency Ratios analyze how effectively Stanbic converts resources it deploys into revenue generating assets.

Liquidity Ratios measure the Bank's ability to meet its financial obligations as and when they fall due at a reasonable price.

Asset Quality evaluate the credit risk associated with the Bank's assets.

Capital Adequacy Ratios measure the Bank's capital in relation to its Risk Weighted Assets (RWA). The RWA is based off risk weighting of both on and off-balance sheet exposures as per the Financial Institutions Act 2004, as amended.

Market sensitivity Ratios measure the sensitivity of the bank's positions (investments, assets, exposures) to market risk as a result of changes in market rates.

Stanbic Uganda Holdings Limited OVERVIEW OF OUR IMPACT IN 2022



In 2022, we continued to implement our Environmental, Social, and Governance—ESG linked initiatives aimed at creating sustainable shared value while driving Uganda's growth. We are proud of our partnerships including with Ministry of health, to promote safe motherhood. Through Stanbic for Her, we trained over 18,500 women in the fundamentals of business management, giving them the confidence to run their enterprises. Over 11,000 women-led small businesses opened accounts with us in the past year, and 1,800 of them accessed affordable credit at rates as low as 15.5%, to the tune of over US\$ 30 billion. We are proud of our youth entrepreneurship training mainly through National Schools Championship which reached over 60,000 students, and our work with partners, to protect the environment. We continued to drive financial inclusion through FlexiPay which is now serving over 500,000 customers, as well as through partnerships with over 5000 Savings and Credit Cooperative Organisations (SACCOs) and enabled over a million of their members access cheap credit from as low as 10% annually for those involved in farming.

Economic Impact Our financial inclusion initiatives are paying off by enabling more women and farmers to access affordable credit



In March last year, we launched a programme—Stanbic for Her, designed to support women-led businesses by extending business management training, networking opportunities, market-linkages, and access to affordable credit.

Through the initiative we have trained over 18,500 women in the fundamentals of bookkeeping, tax reporting, and accounting, giving them the confidence to run their businesses. It gives us great pleasure to report that over 11,000 small businesses have opened accounts with us in the past year, and that over 1,800 of them have already benefited from access to affordable credit at rates as low as 15.5%, to the tune of over US\$ 30 billion.

Under our ambitious ESG targets, which aim to see more women participate in financial services and take charge of the financial transformation of their respective families, increasing access to credit—affordable credit—is already a top priority for Stanbic Bank.

The initiatives within Stanbic4Her have been complemented by our SACCO financing and capacity building program, which has allowed many rural women who belong to agricultural-based groups to access even more affordable credit from as low as 10% per annum.

We take this opportunity to recognize and applaud our partners including aBi Finance, the International Finance Corporation, and the Government of Uganda, who are walking this journey with us to provide capacity building to over 40,000 refugees in Northern and Western Uganda, including 2000 disabled women, 2000 single mothers, and 2000 small businesses.

Social Impact New survey shows our safe motherhood partnership with Ministry of health is starting to bear fruits

In May 2022, the Ministry of Health revealed that the number of mothers dying every day, while giving birth has drastically reduced to five, from 16 previously reported in the Uganda Demographics and Health Survey.

Dr. Richard Mugahi, the assistant commissioner in charge of maternal health said the decrease in cases has been picked up from information received by health facilities and attributable to increased government investment in health which has seen more women deliver from health centres today than in 2016 due to improved staffing and stocking of health facilities.

Stanbic Uganda proudly associates itself to this transformational development to which we have elaborately contributed through the "Stanbic Every Mother Counts" safe motherhood campaign implemented in partnership with the Ministry of Health and other stakeholders.



In 2022, the campaign mobilised support in form of Mama kits, delivery beds, Patient monitors, foetal dopplers, mattresses, baby incubator and baby warmers, blood pressure machines, phototherapy unit caesarean sets, autoclave machines which directly benefited 26 health facilities across the country.

We thank our corporate allies including MTN, UCC, UBL, Rotary who have since joined and supported the campaign which has directly facilitated thousands of Ugandan women to safely deliver, securing the health of both mother and baby.

The challenge is still significant—we believe no mother should die, at all, while bringing life to this world; that remains the focus and long-term aspiration of our safe motherhood campaign.

Governance Impact Over 3000 businesses benefited from our capacity building support through the Stanbic Business Incubator



To ensure sustainable economic growth, Uganda's next generation of businesses must be built on a strong foundation of governance. As a brand that has been in business for the past 116 years, Stanbic Bank believes it has a role to play in building the capacity of small enterprises.

In 2022, we are proud to report that our work—through the Stanbic Business Incubator reached and benefited over 3100 small businesses through the different initiatives including Network Innovation and Sustainability in Agriculture and Tourism, Micro-enterprise development programme, and supplier development programme aimed at promoting local content capability in the energy services sector.

More governance capacity building support was extended through the Stanbic Bank SACCOs Finance and capacity building programme, in collaboration with government and other development

partners such as aBi Finance. These interventions have enabled SACCOs to access affordable credit from Stanbic Bank and extending them to millions of their members.

Stanbic Bank Uganda also leads by example by promoting business governance practices that promote diversity and inclusion. In 2022, the bank was rewarded with the coveted Gold Gender Equality Seal by the United Nations Development Programme in partnership with the Private Sector Foundation—in recognition of our efforts towards implementing the Women Empowerment Principles (WEPs). This work will continue with new focus being fixed on creation of employment opportunities for people with disability.