



Group
plc

The Power of the Group

2025 Annual Report & Accounts



Our Vision

A global financial services group of African origin renowned for EPIC leadership in our chosen markets

Our Mission

To build a supportive ecosystem rooted in Africa, that connects people, capital and markets.

Our Core Values



Execution



Professionalism



Innovation



Customer Focus

At **FCMB**,
Our purpose is to
foster inclusive and
sustainable growth
in the communities
we serve.

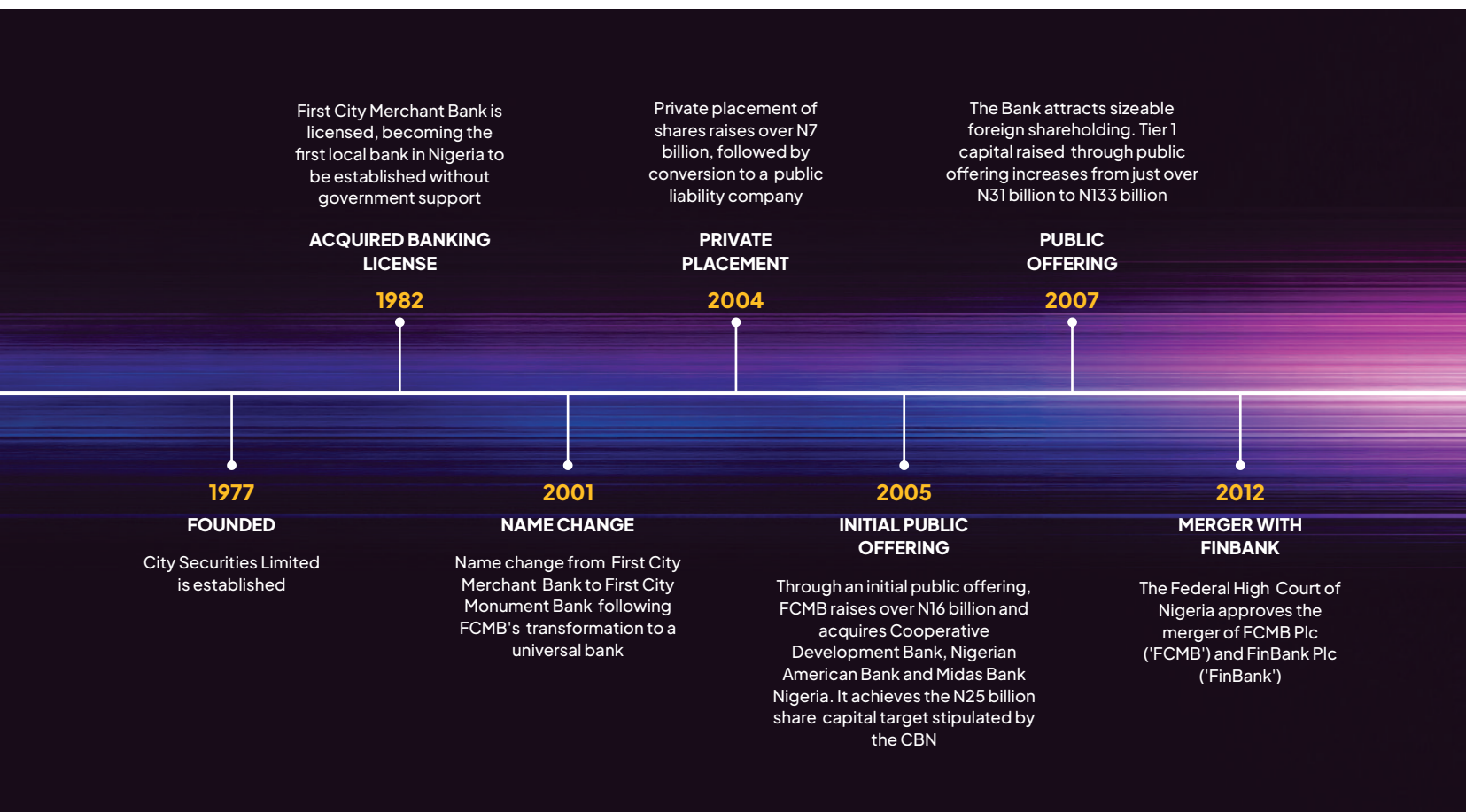
We are doing this by democratising access to comprehensive financial services beyond just a bank account, promoting sustainable economic growth by unlocking transformative capital, export and diaspora flows, and taking climate action through lending, investment and operational practices.

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Introduction



About FCMB Group Plc

The origins of FCMB Group Plc date back to 1977 with the founding of City Securities Limited (CSL) - a combined stockbroking and issuing house business, established by Otunba Michael Olasubomi Balogun who transcended to eternal glory on the 18th day of May 2023.

The success of CSL in the Nigerian capital markets, prompted Otunba Balogun to establish First City Merchant Bank Limited as the 1st independent merchant bank founded by a Nigerian. The bank has since expanded and evolved into a financial services group, with operating companies divided along four business groups: The Banking Group (First City Monument Bank Limited ('The Bank'), FCMB Bank UK Limited and FCMB Microfinance Limited); Consumer

Finance (Credit Direct Financing Company Limited); Investment Banking (FCMB Capital Markets Limited and CSL Stockbrokers Limited); and Investment Management (FCMB Pensions Limited, FCMB Asset Management Limited and FCMB Trustees Limited). Listed on the Nigerian Stock Exchange (NSE) with the ticker symbol 'FCMB', FCMB Group Plc has 42.8 billion ordinary shares held by over 590,000 shareholders.

The legacy of the founder of FCMB Group lives on through the institutions he built and inspired, the bankers and leaders he trained, the lives he touched and the values he exemplified. These serve not only as a foundation for which the Group and its stakeholders are eternally grateful, but as also a beacon of hope and a guiding light for every member of FCMB Group.

More information can be found at:
www.fcmbgroup.com

Migration of FCMB shareholders to FCMB Group Plc (HoldCo) and subsequent de-listing of FCMB Plc and listing of the HoldCo on the Nigerian Stock Exchange (NSE)

GROUP RESTRUCTURING

2013

FCMB acquires majority stake in Legacy Pension Managers Limited (now FCMB Pensions Limited)

ACQUIRED LEGACY PENSIONS

2017

FCMB Group completes 1st phase of capital raise programme, raising N144.6 billion through a Public Offer.

PUBLIC OFFERING

2024

2014 FCMB (UK) LICENSE

FCMB (UK) Limited obtains commercial banking license to operate in the United Kingdom

2021 ACQUIRED STAKE IN AIICO PENSIONS

FCMB Group through its Pensions business acquires 96.3% stake in AIICO Pension Managers Limited

2025 PUBLIC OFFERING

FCMB Group launches and completes an additional public capital raise to meet the Central Bank of Nigeria's new capital requirement for International Banks.



The success of FCMB extends beyond banking alone. It is rooted in the strength and collaboration of our operating companies working together within a unified ecosystem.

Mr. Oladipupo Jadesimi
Chairman, FCMB Group Plc

Chairman's Statement

Distinguished ladies and gentlemen, fellow shareholders, it is a pleasure to warmly welcome you to the 13th Annual General Meeting of FCMB Group Plc and to present the Annual Report and Accounts for the financial year ended 31 December 2025—one marked by resilience, and a strengthened foundation for the future.

On behalf of the Board, I extend my profound appreciation for your continued trust in FCMB Group Plc. Over the past year, your steadfast support—most notably demonstrated during the recapitalization of our Bank—has played a pivotal role in reinforcing the Group's resilience and positioning us for the next chapter of sustainable growth. Your belief in our long-term vision remains a driving force behind the progress we are making together.

In 2025, the operating environment remained complex and dynamic, shaped by lingering global uncertainties and ongoing domestic economic recalibrations. Nigeria's economy continued to adjust to structural reforms initiated in prior periods, with outcomes that reflected both resilience and strain. Exchange rate volatility, elevated fiscal pressures, and tight monetary conditions influenced business performance across sectors, while inflationary trends — though moderating from prior peaks — continued to test household purchasing power and corporate cost structures. Policy measures aimed at strengthening macroeconomic stability, deepening foreign exchange market efficiency, and restoring fiscal balance have gradually begun to yield early signs of adjustment; however, the transition has required careful navigation by businesses and citizens alike.

Despite these challenges, FCMB Group Plc continued to deliver strong results, supported by the breadth of our diversified Group structure and the coordinated efforts across all our operating companies. I am pleased to report that the Group achieved a profit before tax of ₦202.1 billion for the 2025 financial year, representing an 80.6% increase over 2024 financial year. This performance reflects the resilience of our business model, our ability to adapt quickly to shifting market conditions, and our ongoing focus on efficient and sustainable growth. These outcomes provide a solid foundation as we advance our strategic priorities for the coming year.

The Power of the Group

This year's theme, "The Power of the Group," reflects a defining strength of FCMB and an important driver of our performance and future growth. Our multi-business structure is not merely an organizational design; it is a strategic advantage that allows us to serve customers across their full financial lifecycle. By operating across banking, consumer finance, investment management and investment banking, the Group has built a diversified ecosystem capable of delivering integrated financial solutions to individuals and businesses alike. The success of FCMB therefore extends beyond banking alone. It is rooted in the strength and collaboration of our operating companies working together within a unified ecosystem. This synergy allows us to deepen customer relationships, create cross-selling opportunities, and provide seamless solutions that meet evolving customer needs. The recent capital raise strengthens our ability to leverage this ecosystem. It strengthens our capacity to grow across businesses, invest in innovation and technology, support expansion into new markets, including international opportunities, and enhance our ability to serve customers more effectively. By harnessing the collective capabilities of all subsidiaries, the Group is positioned to accelerate innovation, drive sustainable growth, and increase its scale and regional relevance. Our resilience and strong performance are therefore a direct outcome of collaboration across the Group and our ability to operate as one integrated financial services ecosystem. The FCMB franchise remains one of the few that has retained its independence, inclusive of the recent success of meeting the prescribed capital requirement for its banking subsidiary to retain its international banking license. Going forward, we will continue to deepen collaboration across subsidiaries, strengthen governance and operational efficiency, and enhance customer experience, ensuring that the Power of the Group translates into sustainable value for shareholders and long-term impact across the communities we serve.

Chairman's Statement

Our Board's Focus

During the year, the Board of Directors remained steadfast in guiding the Group with clarity of purpose and a strong commitment to our values, strategic priorities, and long-term aspirations. We recognize that robust governance, disciplined leadership, and a well articulated strategy are essential to sustaining the momentum of our growth and delivering enduring value for all stakeholders. Our Board comprises an experienced and diverse team of professionals whose collective judgment, independence, and deep industry insight continue to shape the direction of FCMB Group. Their profiles, presented in the corporate governance section of this report, reflect the breadth of expertise and stewardship required to support our ambition of being a leading financial services institution of African origin. Anchored by a shared dedication to excellence, innovation, and responsible growth, the Board continues to provide the oversight and strategic guidance necessary to strengthen our competitiveness, expand our impact, and secure long-term value for our shareholders, customers, employees, and the wider economy.

The Board of the Group has the responsibility for monitoring the activities of all operating companies under its ownership. These include First City Monument Bank (FCMB) Limited, FCMB Capital Markets Limited, CSL Stockbrokers Limited, FCMB Trustees Limited, FCMB Microfinance Bank Limited, FCMB Pensions Limited and Credit Direct Finance Company Limited. Two of these operating companies also monitor subsidiaries of their own: FCMB Limited owns and monitors FCMB (UK) Limited, and CSL Stockbrokers Limited owns and monitors FCMB Asset Management Ltd. The Group remains committed to the implementation of Corporate Governance standards and regulations of the Central Bank of Nigeria, the Nigerian Exchange Group, the Securities and Exchange Commission, and the United Kingdom's Prudential Regulatory Authority and Financial Conduct Authority.

Board Composition and Committees

As of 31 December 2025, the Board led by me as Non-Executive Chairman, was composed of Seven other Directors (five Non-Executive Directors and three Executive Directors), in line with international best practice requiring the number of Non-Executive Directors to be more than the Executive

Directors on the Board. Mr. Ladi Balogun (the Group Chief Executive), Mr. Gbolahan Joshua (the Chief Operating Officer) and Mr. Olufemi Badeji (Executive Director: Coverage and Investment Banking) made up the three Executive Directors, while the Non-Executive Directors (besides myself) comprised Mrs. Olapeju Sofowora, Professor Oluwatoyin Ashiru OON, Dr. (Engr) Gregory O. Ero., and Ms. Muibat Ijaiya. The Board met five times during 2025 with a 92% attendance rate. The Board was supported by the Statutory Audit Committee and four Board Committees that reported to it, namely the Board Investment Committee, the Board Risk Management Committee, the Board Audit Committee and the Board Governance and Remuneration Committee.

The Board Investment Committee which consisted of Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025), Ms. Muibat Ijaiya (Chairperson with effect from July 28, 2025), Mrs. Olapeju Sofowora, Prof. Oluwatoyin Ashiru, OON (appointed with effect from July 28, 2025), Mr. Ladi Balogun, Mr. Femi Badeji and Mr. Gbolahan Joshua met two times in 2025 with an average attendance rate of 96%. The Board Risk Management Committee consisting of Ms. Muibat Ijaiya (Chairperson), Mrs. Olapeju Sofowora, Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025), Mr. Ladi Balogun and Mr. Gbolahan met four times in 2025 with an average attendance rate of 91.2%. The Board Audit Committee, which was made up of only Non-Executive Directors, consisted of Mrs. Olapeju Sofowora (Chairperson), Dr. (Engr.) Gregory O. Ero, Mrs. Tokunboh Ishmael (retired with effect from April 30, 2025), Prof. Oluwatoyin Ashiru, OON (appointed with effect from July 28, 2025) and Ms. Muibat Ijaiya met five times in 2025 with an average of 90% attendance rate. The Board Governance and Remuneration Committee, which was made up of only Non-Executive Directors, consisted of the following as members during the year: Professor Oluwatoyin Ashiru OON (Chairman), Alhaji Mustapha Damcida (retired with effect from June 17, 2025), Mrs. Olapeju Sofowora, Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025), and Ms. Muibat Ijaiya (appointed with effect from July 28, 2025). The Committee met five times during the year, with an average attendance rate of 94%.

The Statutory Audit Committee which consisted of Evangelist Akinola Soares (Chairman), Alhaji S. B. Daranijo, Mr. Hakeem Batula, Professor Oluwatoyin Ashiru OON, and Mrs. Olapeju

Chairman's Statement

Our employees remain the driving force behind the Group's performance, and their professionalism, resilience, and shared commitment to excellence continue to distinguish our franchise.

Sofowora met four times, with a 100% attendance rate. These committees enabled the Board of FCMB Group Plc to monitor and supervise the implementation of business plans of each company in the Group on a regular and consistent basis.

Earnings and Dividend Per Share Information

For the financial year ended 31 December 2025, the Group delivered another strong performance, underscoring the resilience of our diversified business model. Profit after tax grew by 142% to ₦177.3 billion, translating to Earnings Per Share of ₦3.99. This performance reflects sustained growth across our business segments in a dynamic operating environment. Further insights into the drivers of our financial results will be provided by the Group Chief Executive in his review.

In line with our commitment to delivering consistent and sustainable shareholder returns, the Board has recommended a final dividend of 35 kobo per share for the 2025 financial year, subject to the approval of shareholders at the Annual General Meeting. In reaching this decision, the Board carefully considered the Group's earnings performance, capital position, regulatory requirements, and future growth ambitions.

We remain steadfast in our objective of balancing immediate shareholder returns with the need to retain sufficient capital to support long-term expansion, strengthen our competitive positioning, and optimize value creation for all stakeholders.

Acknowledgments

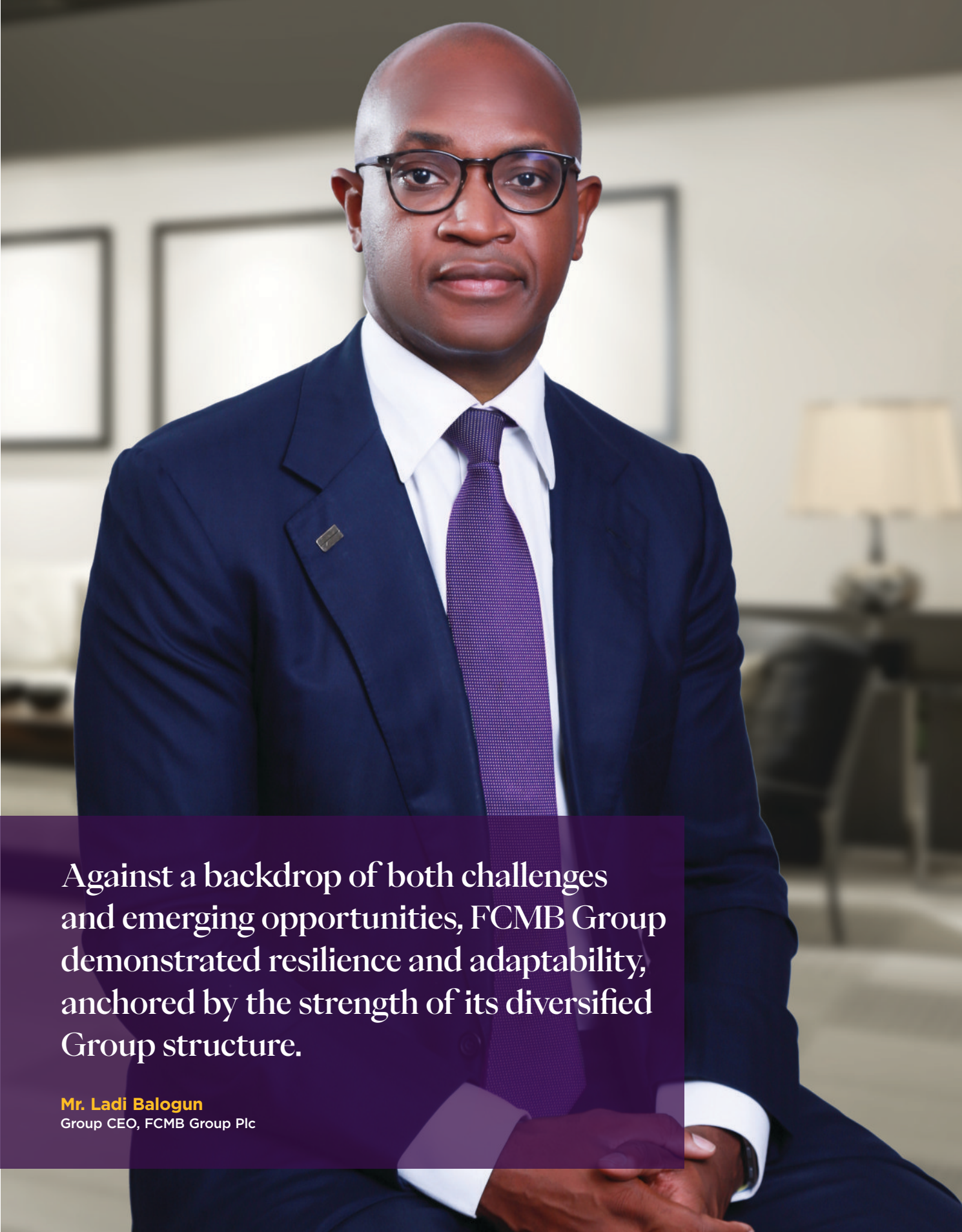
As we reflect on the progress made in 2025, I wish to express my sincere appreciation to everyone who contributed to our achievements during the year. Our employees remain the driving force behind the Group's performance, and their professionalism, resilience, and shared commitment to excellence continue to distinguish our franchise. To our customers, we are grateful for the confidence you place in the FCMB brand; your loyalty challenges us to innovate, improve, and consistently deliver superior service.

I also commend my colleagues on the Board and the Management team for their steady leadership, strategic clarity, and disciplined execution in navigating a complex operating landscape while positioning the Group for sustained growth. We remain appreciative of the guidance and oversight of our regulators, including the Central Bank of Nigeria, the Nigerian Exchange Group, and the Securities and Exchange Commission, whose continued engagement strengthens the integrity and stability of our market environment.

Finally, to our esteemed shareholders, thank you for your enduring trust and partnership. Your support underpins our confidence as we continue to build a resilient, diversified financial services group of African origin, committed to sustainable growth and the creation of lasting value.



Mr. Oladipupo Jadesimi
Chairman



Against a backdrop of both challenges and emerging opportunities, FCMB Group demonstrated resilience and adaptability, anchored by the strength of its diversified Group structure.

Mr. Ladi Balogun
Group CEO, FCMB Group Plc

Group Chief Executive's Report

Distinguished Shareholders, it is my great pleasure to welcome you to the Annual General Meeting of FCMB Group Plc and to present the Group Chief Executive's Statement for the year 2025. 2025 was a transformative year for FCMB Group – one in which we witnessed the true impact of “*The Power of the Group*”.

The 2025 financial year unfolded amid a complex global and domestic economic environment, marked by evolving macroeconomic conditions that continued to shape the financial services sector.

Against a backdrop of both challenges and emerging opportunities, FCMB Group demonstrated resilience and adaptability, anchored by the strength of its diversified Group structure. This resilience provided a platform from which the Group navigated a complex operating environment and positioned itself for accelerated growth and innovation. A considered assessment of the economic and financial landscape in which we operated is therefore essential to fully contextualize the Group's performance over the past fiscal year.

Macroeconomic and Operating Environment

The global economy in 2025 remained on a steady growth path, defying some expectations of a downturn with an estimated growth rate of about 3.2% for the year – slightly below historical averages but a testament to resilience amid ongoing headwinds. Inflation continued to gradually ease worldwide, declining toward central bank targets in many regions as tighter monetary policies took effect. Advanced economies saw consumer price inflation retreat to roughly 4% by year-end, allowing major central banks to shift toward an easing bias. In the United States, economic growth remained resilient at approximately 2.0%, supported by strong labour market conditions and sustained consumer spending, even as the Federal Reserve paused its rate hikes. Europe's recovery progressed, albeit at a modest pace as the Eurozone expanded about 1.5% with inflationary pressures cooling, while the United Kingdom remained broadly in line. China's economy grew 5%, in line with its annual target, even as it registered one of the weakest expansions in decades.

Overall, global financial conditions began to loosen in late 2025 as central banks signaled readiness to lower interest rates, bringing some relief to businesses and households.

Domestically, Nigeria's economy showed improving stability as significant reforms implemented since mid-2023 started to yield results. Real GDP grew by 3.9% in 2025 (vs. 3.4% in 2024), driven by broad-based gains in the non-oil sector. Key reforms to remove fuel subsidies and unify the exchange rate, though difficult in 2024, set the stage for a healthier fiscal position and more efficient markets in 2025. Notably, inflation, which had surged to 34.8% in December 2024, moderated dramatically over the course of 2025. By December 2025, Nigeria's headline inflation had eased to 15.15% – the lowest in over three years – after six consecutive months of decline. This sharp disinflation was aided by base-year effects from the prior year's price shocks, improved food supply, and a more stable currency. In response to the slowing inflation and emerging economic stability, the Central Bank of Nigeria pivoted toward monetary easing: in November, the Monetary Policy Committee cut the benchmark interest rate by 50 basis points to 27.0% and narrowed the policy corridor. The cash reserve ratio was also reduced from 50% to 45%, injecting additional liquidity to support lending.

Crucially, after a volatile 2024, the Naira found firmer footing in 2025. Following the mid-2023 foreign exchange reforms, the currency experienced turbulence early in the year, but improved FX supply and policy measures supported appreciation of the Naira. By year-end 2025 the official Investors' & Exporters' (I&E) exchange rate stood around ₦1,435 per US\$1, compared to ₦1,535 a year prior – marking the Naira's first annual gain in over a decade. This strengthening was bolstered by record-high current account inflows and growing FX reserves noted in 2024, which carried into 2025.

Group Chief Executive's Report

Higher oil prices and increased non-oil exports and remittances improved FX liquidity, while cautious central bank interventions smoothed volatility.

Nigeria's capital markets responded very positively to these macroeconomic trends and reforms. Investor sentiment turned strongly bullish, propelling the NGX All-Share Index to an all-time high. The NGX-ASI ended 2025 at 155,613 points, up +51.2% year-to-date and cementing Nigeria's position as the best-performing major emerging market exchange of 2025. Market capitalization nearly doubled, buoyed by renewed investor confidence in policy consistency and strong corporate earnings growth.

In the banking sector, regulators continued to emphasize resilience and soundness. The Central Bank's March 2024 directive to significantly raise paid-up capital requirements for banks remained a key industry theme. Many banks, including FCMB, accelerated efforts in 2025 to comply – through new equity injections, corporate actions, or capital reorganization – ahead of the March 2026 deadline. Liquidity Ratio stood at 65.0%, well above the 30.0% regulatory minimum and higher than 48.9% recorded in December 2024, reflecting the sector's strong capacity to meet maturing obligations. Capital adequacy remained resilient, with the CAR at 11.6%, above the 10.0% regulatory threshold, underscoring the sector's ability to absorb credit and market shocks. Meanwhile, the NPL ratio was estimated at 7.0%, exceeding the 5.0% prudential limit, largely reflecting the withdrawal of COVID-19-related regulatory forbearance.

The Nigerian pension industry likewise maintained its strong trajectory. Total pension assets under management (AUM) grew to roughly ₦27.5 trillion by December 2025, a 21.9% YoY increase, reflecting steady contributions and investment gains. Registrations under the Contributory Pension Scheme continued to grow, with Retirement Savings Account (RSA) holders crossing the 11 million mark during the year. Overall, Nigeria's operating environment in 2025 was characterized by improving macroeconomic fundamentals and regulatory developments that have begun to restore stability and optimism.

Group Financial Performance and Business Highlights

Against this backdrop of recovering macroeconomic conditions, FCMB Group delivered strong and resilient results in 2025 as we recorded strong growth across key financial metrics, demonstrating the effectiveness of our diversified business model.

- Profitability:** FCMB Group's Profit Before Tax (PBT) grew by 81% to ₦202.1 billion in 2025, reflecting a strong year-on-year growth from the ₦111.9 billion reported in 2024. This earnings momentum was driven by solid core interest income growth and the resulting improvement in net interest margins. Our Return on Average Equity (ROAE) consequently improved to 23.2% for 2025 (up from 12.7% in 2024), moving closer to our medium-term profitability targets. Earnings Per Share (EPS) for the year was ₦3.99, a significant increase over the ₦2.38 recorded in 2024.
- Balance Sheet Growth:** The Group recorded a total assets base of ₦7.63 trillion (December 2024: ₦7.05 trillion), representing a 8.2% year-on-year growth. Customer deposits grew by 2.8% to reach ₦4.42 trillion (December 2024: ₦4.30 trillion), impacted by a 16.3% decline in term deposits as low-cost deposits ratio grew to 65.4% as at FY 2025 from 57.5% recorded for FY 2024 aided by our expanding retail network and digital channels. On the asset side, net loans and advances to customers grew marginally by 0.4% to ₦2.37 trillion (from ₦2.36 trillion in Dec 2024) impacted by currency revaluation, loan write-offs and concentrated paydowns. The Group's Assets Under Management (AUM) in our Investment Management businesses also rose to ₦1.70 trillion, up from ₦1.37 trillion at the end of 2024, reflecting new client acquisitions and positive market performance in our pensions and asset management subsidiaries.
- Capital and Liquidity:** FY 2025 was a landmark year in strengthening our capital base. Building on the successful public offer completed in late 2024, we launched and completed an additional public capital raise in Q4 2025 to meet the Central Bank of Nigeria's new capital requirement for International Banks. As at year-end 2025, our public offer was undergoing capital verification by the

Group Chief Executive's Report

CBN and, accordingly, had not yet been reflected in shareholders' funds for the year under review. The offer received strong investor interest, bringing total new equity raised over the last 14 months to approximately ₦400 billion through a combination of two public offers and subsidiary minority divestment. As a result, the Group's shareholders' funds grew to ₦835.4 billion by year-end 2025 (Dec 2024: ₦688.2 billion). Our consolidated Capital Adequacy Ratio improved correspondingly – rising to 18.01% as of December 2025 – providing a robust buffer above regulatory requirements and positioning us strongly for future growth. The Group maintained healthy liquidity throughout the year, with liquidity ratios well above the statutory threshold, even as we deployed funds into higher-yielding assets.

- Digital and Product Leadership:** In line with our vision to be a digital and product-led organization, 2025 saw significant advancements in our digital transformation journey. We have spent the past several years investing in technology – including our proprietary core banking system and a robust suite of mobile and web applications – and these investments are translating into tangible results. In 2025, our digital revenues (comprising Lending, Payments & Wealth) grew year-on-year by 49% to ₦155.2 billion, mainly driven by our digital lending activities. Building on this momentum, we also focused on broadening our digital value proposition: enhancing digital onboarding for new customers, scaling our payments and remittance platforms, and embedding artificial intelligence in our processes to personalize services. As a result, Credit Direct's AI assistant, CLARA, enabled ₦3.3 billion in loan disbursements, ₦1.2 billion in revenue, and over 170,000+ interactions. Our self-service account opening and onboarding on the bank's mobile app, averaged 89,529 account openings a month. Payment revenues on the app rose by 20% year-on-year to reach ₦13.5 billion by December 2025. Temi, the bank's AI assistant, also handled 2,198,949 interactions. We expect even more significant and diversified contributions from our digital and fintech initiatives going forward, in automated lending, payments, savings & investments, and AI-driven customer service.

Leveraging “The Power of the Group” – Four Business Groups, One Outcome

A core driver for our performance in 2025 was the effective synergy across our business groups: Banking Group, Consumer Finance, Investment Banking and Investment Management, each playing a distinct but complementary role in delivering business growth.

The Banking Group (First City Monument Bank Limited (The Bank'), FCMB Bank UK Limited and FCMB Microfinance Limited) recorded 110% in pre-tax profits to ₦163 billion for the year 2025. The business recorded a 61.5% growth in interest income driven by growth in yield on earning assets, however, recorded a 37.2% decline in non-interest income driven by FX related losses recorded in 2025. Net fees and commissions grew by 26.2% whilst net-trading income declined by 29.7%. Our UK franchise (FCMB Bank UK Limited) recorded a 264.6% decline in pre-tax profits for 2025 driven by a one-off ECL charge in 2025, with the franchise remaining fundamentally resilient and well positioned for a return to profitability in 2026.

Our Investment Banking division (CSL Stockbrokers Limited and FCMB Capital Markets Limited) recorded a combined pre-tax profit of ₦3.4 billion for the period under review, up 90% from 2024. FCMB Capital Markets Limited recorded a pre-tax profit growth of 22.4% driven by increased equity capital market activities.

Our Investment Management businesses (FCMB Pensions Limited, FCMB Asset Management Limited and FCMB Trustees Limited) collectively grew Assets Under Management by 24.2% to ₦1.70 trillion at the end of the year. During the year, our Pensions business recorded a 3.3% year-on-year increase in Retirement Savings Accounts (RSAs), demonstrating resilience and sustained client confidence despite intense competition within the RSA Transfer Window programme. It also grew Assets under Management (AUM) by 26.2% to close at ₦1.19 trillion while recording a 25.5% growth in pre-tax profits.

Our Consumer Finance business (Credit Direct Finance Company Limited) demonstrated resilience during the period, delivering a 107.3% growth in pre-tax profits to ₦25.5 billion for the year 2025. This was driven by an increase in loan

Group Chief Executive's Report

Our focus remains firmly on deepening our digital transformation, strengthening our culture of excellence, and amplifying the collective power of our ecosystem.

disbursement from ₦100.5 billion in 2024 to ₦135 billion in 2025.

Outlook

Looking ahead, we remain cautiously optimistic about the prospects for both the global and domestic economy and encouraged by the opportunities that lie before FCMB Group. The International Monetary Fund currently projects global growth to remain around 3.3% in 2026, maintaining the steady trajectory recorded in 2025. Global inflation is expected to continue its decline, which should allow further monetary easing in major economies – a positive for global financial conditions. However, uncertainties persist: geopolitical tensions, commodity price fluctuations, and the need for careful unwinding of monetary policy could all influence the outlook. We will monitor these developments closely, especially as they affect investor sentiment and capital flows in emerging markets.

Domestically, Nigeria's outlook for 2026 looks encouraging on account of continued gains from broad-based structural reforms of the government, which have supported an improved business environment, increased capital flows and government revenue, as well as improved stability in the exchange rate. The easing monetary policy stance by the CBN is expected to spur growth following the anticipated reduction in the cost of lending. Additionally, increased fiscal and pre-election spending would further stimulate aggregate demand. The economy is therefore expected to grow further in 2026 to 4.4%, from the 3.9% growth estimated for 2025.

Going into 2026, our priorities are both clear and compelling. Having successfully completed the Group's recapitalisation programme—ensuring our Bank's continued status as an international institution—we are now positioned to accelerate the next phase of our long-term growth.

Our focus remains firmly on deepening our digital transformation, strengthening our culture of excellence, and amplifying the collective power of our ecosystem. These pillars are central to fulfilling our purpose and delivering greater value to the customers and communities we serve.

The progress we continue to make is driven by the unwavering support of our people, investors, regulators, customers and partners. Together, we remain committed to advancing the vision of our Founder: building an institution, a nation and a continent that future generations can be proud of.

The best of FCMB Group is ahead of us.

In closing, I would like to thank all our stakeholders for their unwavering support throughout the year.

Thank you very much for your attention. God bless you all.



Ladi Balogun
Group Chief Executive

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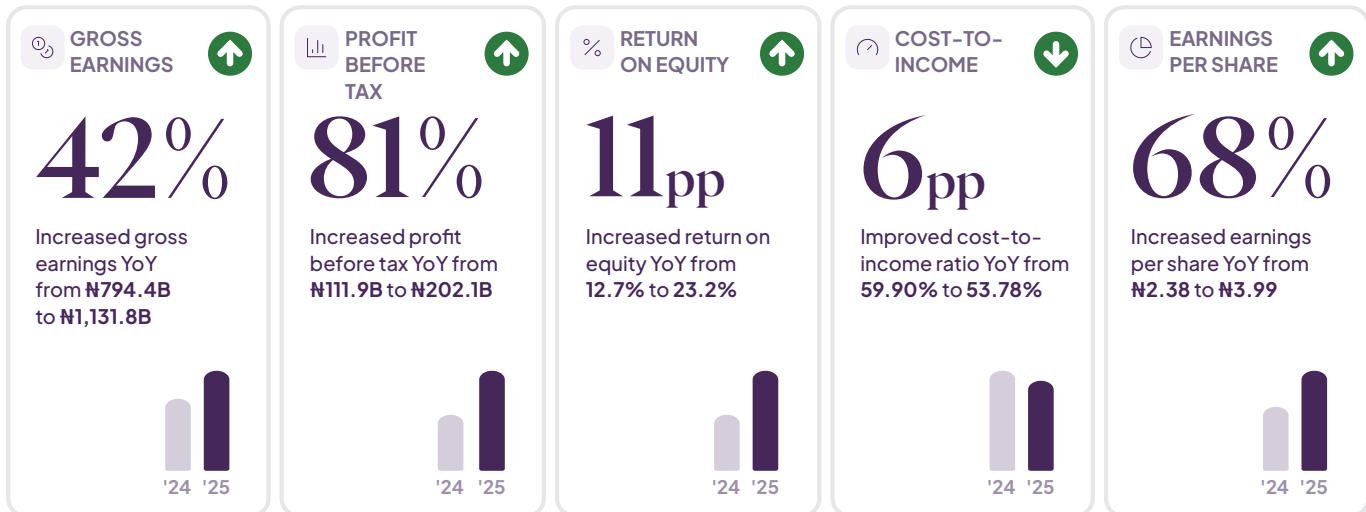
Operating Review

Performance Highlights (Group)

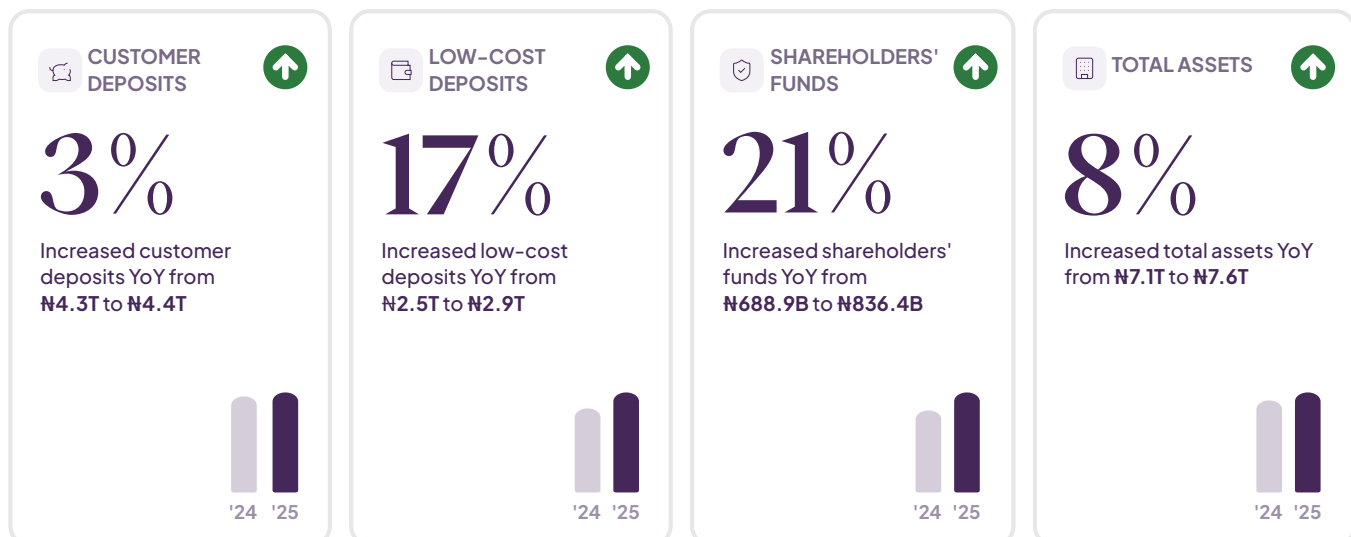
FINANCIAL HIGHLIGHTS



Income Statement



Balance Sheet

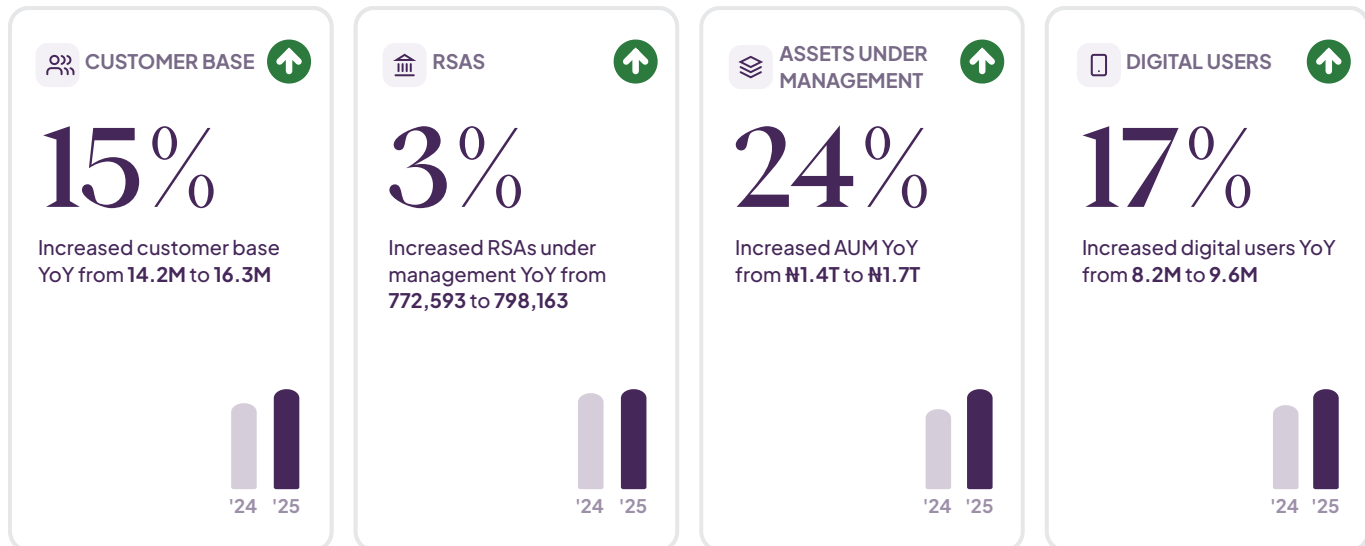


■ 2024 ■ 2025 YOY = YEAR ON YEAR · PP = PERCENTAGE POINTS · T = TRILLION · B = BILLION

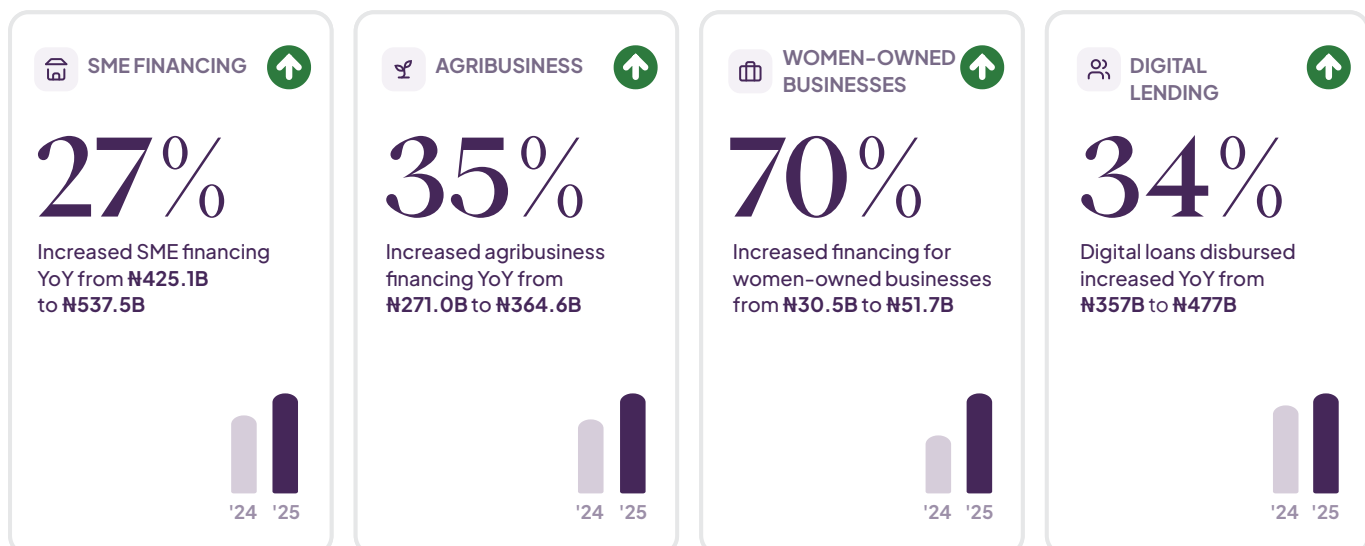
Performance Highlights (Group)

NON-FINANCIAL HIGHLIGHTS

Franchise Strength

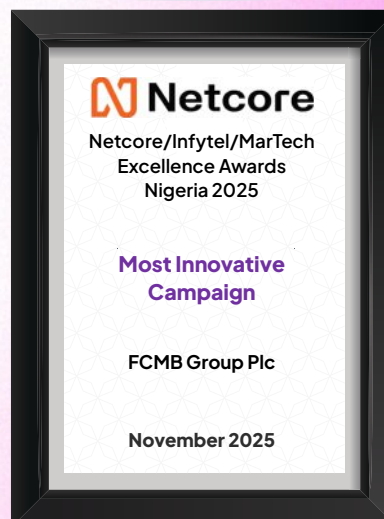
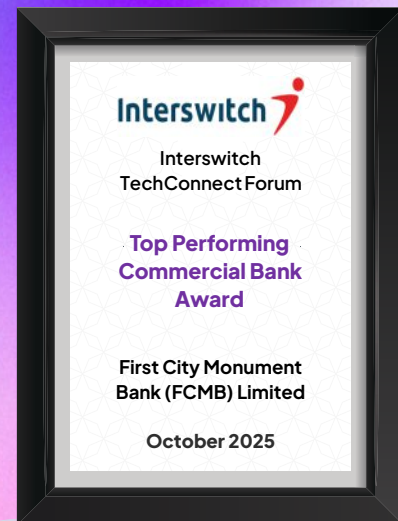
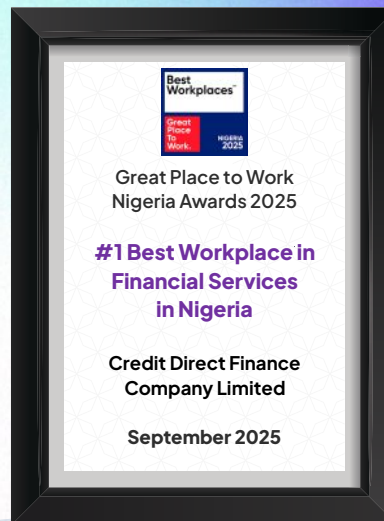
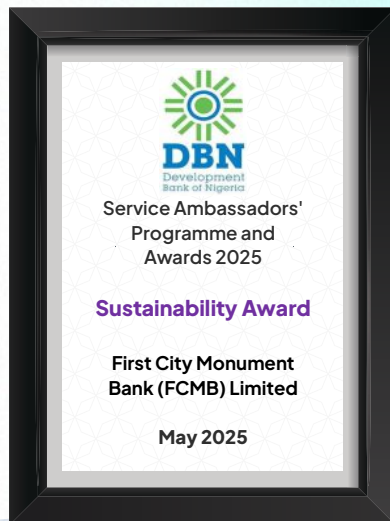


Purpose Impact



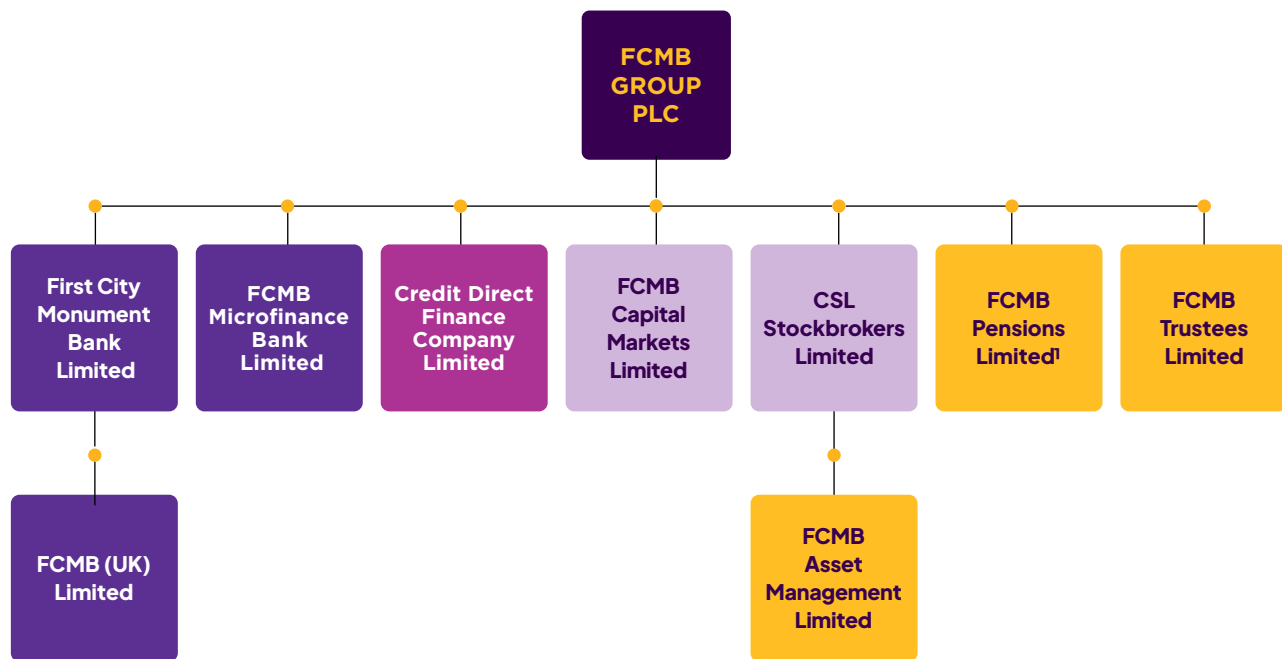
■ 2024 ■ 2025 RSAS = RETIREMENT SAVING ACCOUNTS · AUM = ASSETS UNDER MANAGEMENT · T = TRILLION · B = BILLION

2025 Awards Won



Our Group of Companies

There are ten (10) operating entities in the FCMB Group Plc, including the holding company.



1. All subsidiaries are wholly owned except FCMB Pensions Limited, which is owned 91.7%.

- The Banking Group
- Investment Banking
- Investment Management
- Consumer Finance

Sustainability Report

Supporting Economic and Environmental Resilience

Sustainability shapes how FCMB creates long-term value, safeguards its balance sheet, and fulfills its role as a trusted financial institution. Our success is linked to the strength and stability of the customers and communities we serve.

By integrating sustainability into credit allocation, portfolio management, and enterprise risk frameworks, we anticipate emerging risks, capture growth opportunities, and strengthen resilience in our environment.

Through disciplined capital deployment, responsible financing, and proactive stakeholder engagement, FCMB helps direct financial flows toward productive enterprises, broaden access to formal finance, protect customer data, and support national development priorities. Environmental, Social and Governance (ESG) principles guide how we deploy capital and manage risk across the business, enabling us to deliver competitive returns while supporting economic and environmental stability.

We continue to invest in our people, support communities, manage climate and environmental risks, and expand opportunities in green and resilient finance. These actions demonstrate our commitment to transparency, accountability, and continuous improvement.

This report aligns with the Nigerian Sustainable Banking Principles and the Nigerian Exchange's Sustainability Disclosure Guidelines (NGX-SDGs). It also reflects our

intention to adopt the International Financial Reporting Standards–International Sustainability Standards Board (IFRS–ISSB) guidelines and to cross-reference the United Nations Global Compact (UNGC). We apply internationally recognised reporting frameworks, including the Global Reporting Initiative (GRI), and acknowledge the Financial Reporting Council of Nigeria's roadmap for sustainability disclosures. Following this roadmap, we have opted into the Voluntary Phase to strengthen our sustainability reporting over time.

Our Environmental, Social and Governance (ESG) Approach

FCMB's ESG approach clearly demonstrates how the bank integrates Environmental, Social, and Governance (ESG) considerations into its strategy, risk management, and decision-making to create long-term value for stakeholders. We developed a robust ESG framework through direct engagement with key stakeholders to identify and address material issues affecting our business. This framework enables the bank to strategically prioritise initiatives, ensuring that its efforts generate economic, social, and environmental impact where it matters most.

Sustainability Report

Embedding Sustainability in Strategy and Operations

Sustainability is embedded in our strategy and daily operations, ensuring that environmental, social, and governance considerations inform decision-making throughout the organisation. We integrate these factors into strategic planning, performance management, and core business processes, reflecting our view that sustainability-related risks and opportunities, such as climate risk, financial inclusion, digital trust, and governance integrity, directly influence asset quality, cost of capital, and long-term earnings stability.

Operationally, sustainability considerations are incorporated into key processes, including credit origination, risk assessment, product development, and procurement. ESG factors increasingly inform lending and investment decisions, helping us identify emerging risks early, price them appropriately, and support clients in strengthening their resilience.

This integration aligns with FCMB's broader strategic priorities of responsible growth, customer centricity, innovation, and operational efficiency. It also enables us to translate strategy into measurable outcomes that support both societal impact and financial performance.

Our focus includes:

- **Financing inclusive growth** by expanding access to financial services for underserved individuals, SMEs, and women-led enterprises
- **Supporting climate-aligned opportunities**, including green and transition finance, energy efficiency, and climate-resilient infrastructure
- **Strengthening operational sustainability** through resource efficiency, digitalisation, and responsible workplace practices

Through this integrated approach, we reinforce regulatory compliance with evolving sustainability and climate disclosure expectations, strengthen investor confidence through consistent ESG reporting, and enhance stakeholder accountability by demonstrating how sustainability contributes to resilience, growth, and trust.

Managing Sustainability Risks and Opportunities

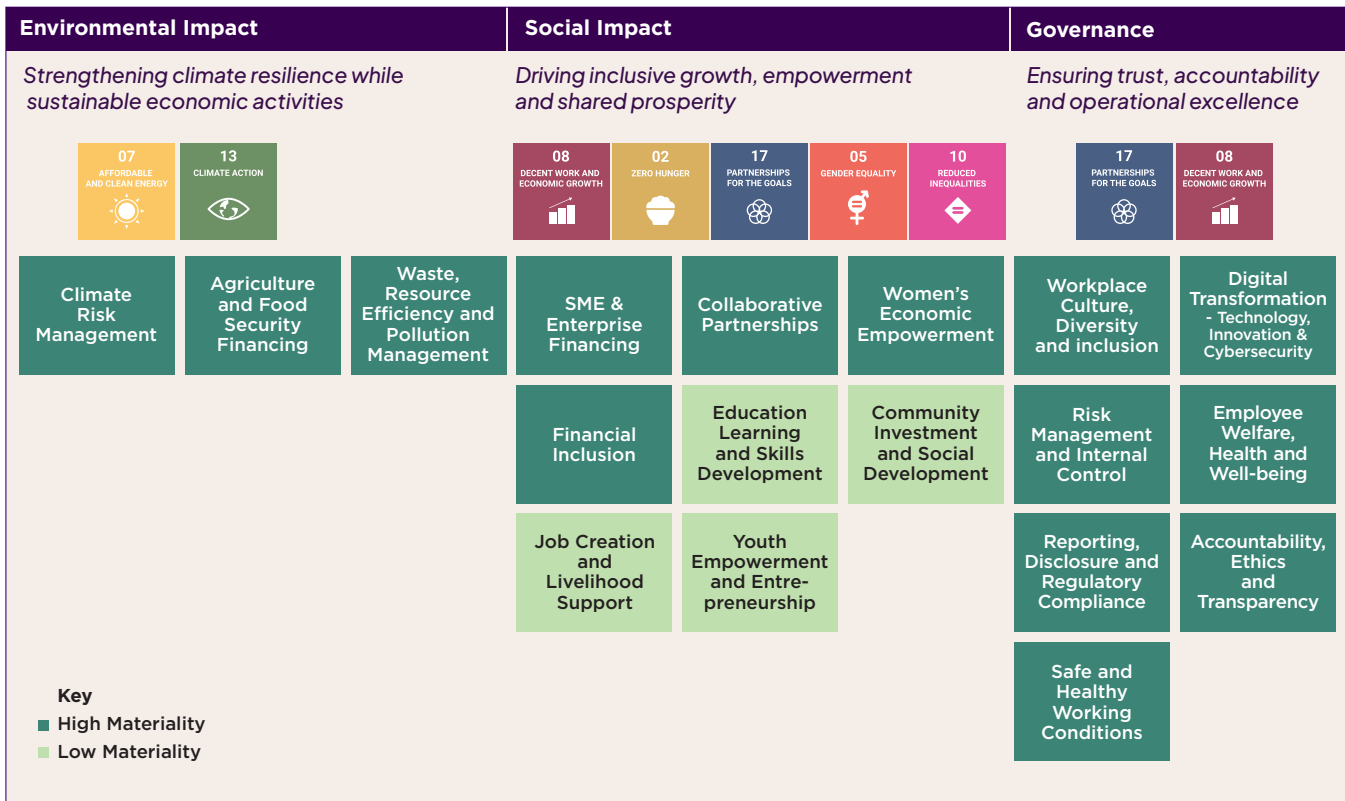
We recognise that sustainability-related risks, such as climate transition risk, physical climate impact, social instability, and conduct risk, can materially affect our business. To address this, we have identified these risks and integrated their management into our enterprise risk management framework. This ensures consistent identification, assessment, monitoring, and escalation.

Strengthening Brand, Trust and Long-Term Franchise Value

Growth is sustained by trust. FCMB's sustainability practices enhance brand equity, deepen stakeholder confidence, and strengthen our license to operate. FCMB's Top of Mind Awareness (TOMA) rating has kept the bank a leading franchise amongst the first 5% of its peers. Customers, employees, investors, and regulators increasingly favour institutions that demonstrate responsible conduct, transparency, and long-term thinking. We achieved a group-wide average NPS of 52, with our largest customer-serving organisations: the bank, CDL, and FCMB Pensions, each attaining NPS figures of 77, 67, and 52, respectively. This trust underpins customer loyalty, talent attraction, and durable franchise value.

Sustainability Report

At FCMB, we remain resilient through our Environment, Social and Governance approach:



Focus Areas

ESG Category	Initiatives	UN SDG
Environmental Impact	<ul style="list-style-type: none"> Climate Risk Management Agriculture and Food Security Waste, Resource Efficiency and Pollution Management Renewable Energy and Efficiency 	<ul style="list-style-type: none"> SDG 2 (Zero Hunger) SDG 7 (Affordable and Clean Energy) SDG 9 (Industry, Innovation & Infrastructure) SDG 11 (Sustainable Cities and Communities) SDG 12 (Responsible Consumption and Production) SDG 13 (Climate Action)
Social Impact	<ul style="list-style-type: none"> SME & Enterprise Financing Women Economic Empowerment Financial Inclusion and Access to Finance Education, Learning and Skills Development Community Investment and Social Development Job Creation and Livelihood Support Youth Empowerment and Entrepreneurship 	<ul style="list-style-type: none"> SDG 1 (No Poverty) SDG 4 (Quality Education) SDG 5 (Gender Equality) SDG 8 (Decent Work and Economic Growth) SDG 9 (Industry, Innovation and Infrastructure) SDG 10 (Reduced Inequalities) SDG 11 (Sustainable Cities and Communities) SDG 17 (Partnerships for the Goals)

Sustainability Report

ESG Category	Initiatives	UN SDG
Governance	<ul style="list-style-type: none"> Workplace Culture, Diversity and Employee well-being Digital Transformation – Technology and Cybersecurity Risk Management and Internal Control Employee Welfare, Health and Well-being Reporting, Disclosure and Regulatory Compliance Accountability, Ethics and Transparency Safe and Healthy Working Conditions 	<ul style="list-style-type: none"> SDG 3 (Good Health and Wellbeing) SDG 5 (Gender Equality) SDG 8 (Decent Work and Economic Growth) SDG 9 (Industry, Innovation and Infrastructure) SDG 10 (Reduced Inequalities) SDG 12 (Responsible Consumption and Production) SDG 16 (Peace, Justice and Strong Institutions)

Climate Risk Management

FCMB embeds risk-management financing practices within its Environmental and Social Management System (ESMS) to strengthen how it evaluates, structures and monitors loans and facilities, including exposures to carbon-intensive sectors (₦880,243,638,746.03). At the core of this approach is the integration of environmental and social considerations into the bank's credit appraisal and approval process — ensuring that lending decisions go beyond pure financial metrics to assess potential environmental impact, social risks, and compliance with both national regulations and international best practices. This system strengthens the bank's compliance with the Nigerian Sustainable Banking Principles and helps manage risks such as pollution, community displacement, or adverse health and safety outcomes, thus protecting the bank's asset quality, with layers of guidance from the Board Risk Committee (BRC), through the Management Risk Committee (MRC), to individuals with assigned authority limits. We also have a strict Risk Acceptance Criteria template that guides our lending appetite and requirements.

In practical terms, the ESMS desk supports risk management financing by setting clear policies and procedures that guide every stage of the project life cycle. FCMB's ESMS also embeds mechanisms for ongoing compliance tracking and monthly internal sustainability reporting. By doing so, the bank cultivates more resilient credit portfolios, enhances its ability to manage emerging risks — including climate-related and social concerns — and channels financing toward projects that align with sustainable development priorities, demonstrating that disciplined risk management and environmental-social stewardship can coexist with profitable banking operations.

Agriculture and Food Security Financing

FCMB continues to play a significant role in strengthening Nigeria's agriculture and food systems through a diversified and value-chain-driven financing strategy. The Bank's agricultural portfolio spans primary agricultural production financing, anchor-led value chain models, commodity and structured trade finance, agro-processing and manufacturing finance, export development, and input and equipment vendor financing. This integrated approach ensures that financing reaches farmers, aggregators, processors, and exporters across the agricultural ecosystem. As a result, FCMB's agriculture assets grew from ₦204.3 billion in December 2023 to ₦364.6 billion in December 2025, representing a 35% year-on-year growth, with transaction volumes increasing by 39%, 33%, and 35% over the respective years. The Bank also expanded its agro-processing and manufacturing finance portfolio to ₦340 billion, reflecting 26% YoY growth, while generating ₦31.8 billion in interest and fee income, underscoring the commercial viability of sustainable agriculture financing.

Agriculture – Economic and Trade Impact

Through its agriculture and food security interventions, FCMB reached 196,012 smallholder farmers, supported by over 22,700 trained rural agents equipped with FCMB Android-based POS systems, deepening financial inclusion in underserved communities. Lending to the agriculture sector expanded by 27%, with an additional ₦69.5 billion deployed to agribusinesses, while ₦238.2 million was directly disbursed to smallholder farmers via the Agric Agency Banking Team. These efforts generated approximately ₦31 billion in interest and



fees for the Bank, demonstrating alignment between impact and profitability. In parallel, FCMB strengthened Nigeria's non-oil export capacity by providing an additional US\$125 million in funding to export-oriented agribusinesses, supporting foreign exchange earnings and export diversification. Strategic partnerships with institutions such as AFREXIM, BOI, NEXIM, IFC, AfDB, DBN, NADF, FMO, BII, GIZ, PropCom+ and the MasterCard Foundation further enhanced the scale, affordability, and risk-sharing capacity of the Bank's agriculture financing.

Agriculture – Inclusion Outcomes

FCMB's agriculture financing delivers social and environmental dividends alongside economic outcomes. Value-chain financing connects farmers to off-takers, aggregators, and processors, reducing post-harvest losses through improved storage, aggregation, and logistics, while creating employment opportunities across expanded farming and processing operations. Environmental benefits include reduced pressure on forests through improved productivity on existing farmlands, the promotion of sustainable agricultural practices through farmer training in modern techniques, and increased adoption of renewable energy solutions to lower reliance on fossil fuels. Inclusion remains central to the strategy, with over 47% of beneficiaries (approximately 92,915 smallholder farmers) comprising women and youths aged 18–35. Targeted initiatives, such as the ₦798 million partnership with the National Agricultural Development Fund (NADF) to empower 5,000 young women in Oyo State to cultivate cassava, reinforce FCMB's commitment to gender-responsive and youth-focused financing. Collectively, these interventions reduce waste, expand access to international markets, and position agriculture as a sustainable pathway for food security, livelihoods, and long-term economic resilience.

Renewable Energy Financing and Efficiency – REFE

FCMB has been actively scaling financing solutions that advance sustainable energy deployment across Nigeria. A cornerstone of this strategy is the provision of tailored energy finance loan products that help households, SMEs, and corporate clients acquire solar panels, batteries, inverters, and other renewable energy equipment, with flexible repayment terms designed to ease the transition from fossil fuel dependence to cleaner alternatives. These products are part of the bank's broader efforts to support off-grid, mini-grid, and energy-efficient projects, helping bridge the financing gap in the renewable energy sector and accelerate the adoption of decentralised clean energy nationwide. Such interventions not only reduce greenhouse gas emissions from diesel-powered generators but also contribute to energy security and economic resilience — key pillars of FCMB's climate and sustainable development agenda.

Beyond direct financing, FCMB utilises strategic partnerships and capacity-building to expand its climate financing impact; consequently, the emission reduction portfolio grew 545% year-on-year to reach N3.2 billion. Collaborations with development partners such as Proparco, the IFC, AfDB, and others enable FCMB to mobilise concessional funding and technical support for renewable energy developers and SMEs, amplifying capital flows into climate-friendly sectors and enhancing risk-sharing mechanisms. The bank also champions stakeholder engagement through workshops and awareness programs focused on sustainable energy finance, fostering innovation and expanding market understanding of climate risks and clean energy opportunities. Internally, FCMB pursues operational carbon reduction — such as transitioning branches to solar power, while positioning itself as a key financier in Nigeria's journey toward a low-carbon, climate-

Sustainability Report

resilient economy. These combined efforts directly support its carbon net-zero goals and help cultivate a financial ecosystem that rewards environmental stewardship and sustainable growth.

Agent Banking, Financial Inclusion and Access to Finance

FCMB continues to deepen financial inclusion and expand access to finance through a scalable, technology-enabled agent banking and inclusive lending model targeting women entrepreneurs, microenterprises, MSMEs, smallholder farmers, and informal sector participants. Within its group-lending business, the Bank disbursed 83,000 loans valued at ₦1.9 trillion to women-led enterprises, micro businesses, and SMEs, enabling enterprise growth, income stability, and household resilience. FCMB also deployed ₦21.1 billion at single-digit interest rates to 65,000 individuals, including smallholder farmers, petty traders, and MSMEs, lowering the cost of capital for underserved segments and reinforcing the Bank's commitment to responsible and inclusive finance.

Through its agency banking network, FCMB onboarded 24,000 agents, acquired over 210,000 new customers, and processed more than 90 million transactions, driving total transaction volumes to approximately ₦1.2 trillion. This channel has been instrumental in bridging the last-mile gap, especially in rural and peri-urban communities, by delivering affordable, accessible, and reliable banking services closer to where people live and work. As a result, 206,430 previously unbanked individuals were integrated into the formal financial ecosystem, with each customer accessing at least one banking product or service, marking a step toward reducing financial exclusion and supporting national inclusion targets.

Beyond access, FCMB emphasises capability building and long-term impact as critical pillars of its financial inclusion strategy. The Bank delivered structured capacity-building and financial literacy sessions to over 4,000 beneficiaries, equipping them with essential skills in money management, business planning, and responsible borrowing.

These interventions strengthen the quality of financial participation, enhance loan performance, and ensure that access to finance translates into lasting economic empowerment.

Collectively, FCMB's agent banking and inclusion initiatives demonstrate how commercially viable banking models can deliver social impact while expanding market reach and strengthening the resilience of Nigeria's informal and MSME sectors.

FCMB strengthened its inclusive finance agenda by deepening strategic partnerships that expand access to affordable capital, digital financial services, and capacity-building for underserved groups. Through its ongoing collaboration with the Mastercard Foundation under the MSME Revitalisation Project, the Bank provided single-digit interest rate financing to young entrepreneurs, with a deliberate emphasis on female-led enterprises. Under this initiative, 65,583 participants received a total disbursement of ₦21.2 billion, enabling business recovery, job creation, and improved economic resilience among youth and women across key sectors of the economy.

To further advance digital financial inclusion, FCMB partnered with Women's World Banking to onboard and empower female banking agents, particularly in Nigeria's Northern region, where financial access gaps are more pronounced. This initiative strengthens last-mile delivery, increases women's participation in financial value chains, and enhances trust and uptake of formal banking services within underserved communities. By positioning women as both service providers and beneficiaries, the Bank operationalises its commitment to gender-responsive financial inclusion and inclusive growth.

In parallel, FCMB expanded its global collaboration footprint by joining the World Savings and Retail Banking Institute (WSBI), unlocking new opportunities for strategic partnerships, knowledge exchange, and innovation in retail and inclusive banking. The Bank also sustained its partnership with Opportunity International, leveraging technical assistance and sector expertise to scale solutions in the education finance (edu-finance) space. Collectively, these partnerships enhance FCMB's capacity to design impact-driven financial products, mobilise blended finance, and deliver sustainable outcomes aligned with national development priorities and global financial inclusion goals.

Sustainability Report

SME & Enterprise Financing

In 2025, FCMB's SME portfolio spanned key sectors including agriculture, forestry and fishing; manufacturing; construction; power and energy; oil and gas; transportation and storage; water supply, sewage, waste management and remediation activities; information and communication; professional, scientific and technical services; real estate; healthcare and human health services; education; administrative and support services; arts, entertainment and recreation; general commerce; finance and insurance; and government-related enterprises. This wide sectoral exposure supports economic diversification while reducing concentration risk within the SME book.

With a total SME and Enterprise portfolio value of ₦537.5 billion in 2025, FCMB recorded a 5.43% year-on-year growth, reflecting disciplined portfolio expansion amid a challenging macroeconomic and operating environment. Growth was supported by targeted financing for productive assets, working capital, and infrastructure-linked SMEs, alongside enhanced credit underwriting and risk monitoring frameworks.

Beyond financing, FCMB complements capital deployment with capacity-building initiatives, advisory support, and digital banking solutions that enhance SME cash flow management, operational efficiency, and sustainability. By aligning enterprise financing with priority sectors and national development objectives, FCMB continues to strengthen SME resilience while safeguarding portfolio quality.

Overall, FCMB's SME and Enterprise Financing demonstrates its commitment to inclusive finance, private-sector-led growth, and sustainable economic development.

Women's Economic Empowerment – Women in Business

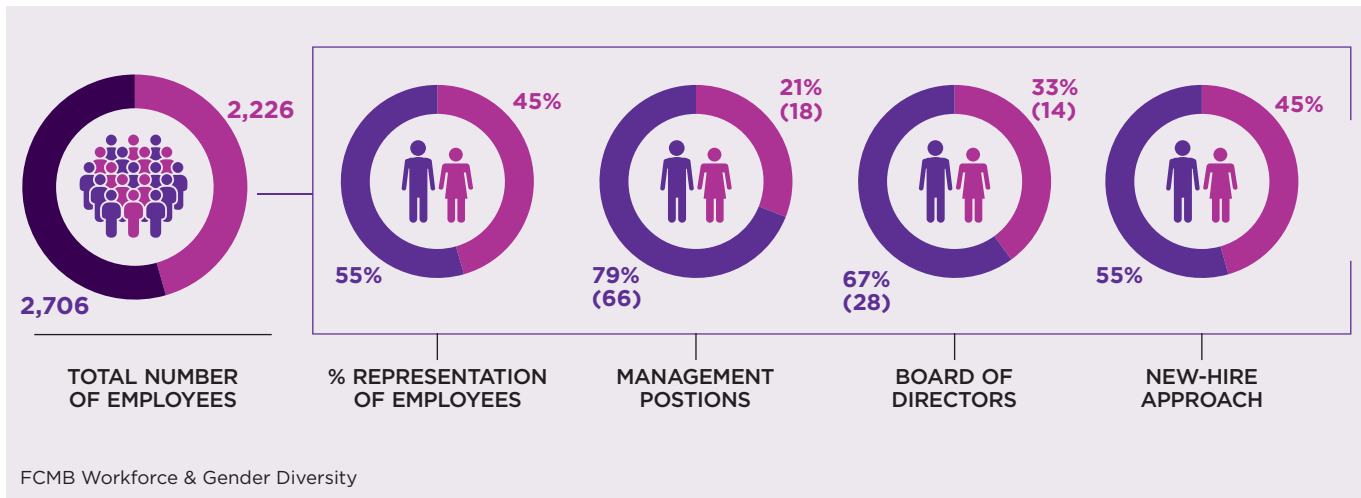
FCMB continues to advance women's economic empowerment by scaling targeted financing solutions for women-owned businesses, reinforcing its commitment to inclusive growth and gender-responsive banking. Between FY-2023 and FY-2025, the Bank saw momentum in its women-focused risk assets, with portfolio volumes rising from ₦20.9 billion in FY-2023 to ₦30.5 billion in FY-2024 and then to ₦51.7 billion in FY-2025. This represents 46% year-on-year growth between FY-2023 and FY-2024, followed by 70% growth between FY-2024 and FY-2025, reflecting sustained demand, improved product design, and prioritisation of women-led enterprises within FCMB's lending strategy.

During this period, FCMB provided financing to 2,874 women-owned businesses, totalling ₦51.7 billion in lending. These interventions enabled women entrepreneurs to expand operations, improve working capital cycles, invest in productive assets, and strengthen their participation across key economic sectors. By improving access to finance for women-led enterprises, traditionally underserved by formal financial institutions, FCMB enhances business resilience and job creation and contributes to household income stability and broader community development.

To deepen impact and address non-financial barriers to growth, FCMB provided about 2000 WSMEs with structured mentorship programs, supported over 1000 WSMEs with accelerator programs, capacity building and networking events, and shared market resources with over 500 WSMEs. FCMB also organised programs to celebrate International Women's Day with global partnership opportunities and



Sustainability Report



partnered with British International Investment and the Value Project for Women, combining capital deployment with targeted technical assistance. This collaboration focuses on strengthening FCMB's internal capacity to better serve women-owned SMEs and channel funding to underserved women entrepreneurs, particularly in Northern Nigeria, where access gaps are more pronounced. Through this blended approach of finance, advisory support, and partnerships, FCMB continues to build a scalable women-in-business ecosystem that delivers measurable economic impact and reinforces the Bank's long-term sustainability and inclusion objectives.

Workplace Gender – Diversity, Equity and Inclusion

FCMB has demonstrated a sustained commitment to gender inclusion and women's empowerment across its workforce and business engagements by organising International Women's Day (IWD) annually for six consecutive years. These engagements provide a platform to celebrate women's achievements, promote inclusive leadership, and advance conversations on gender equity across the Bank and its wider stakeholder community.

Throughout the year, FCMB consistently reaffirms its commitment to fostering an equitable workplace culture that supports the professional growth, well-being, and leadership aspirations of women. We have 28 males to 14 females representation at the board level, 66 males to 18 females at the executive management level and 55% Male to 45%

Female representation across the entire employee population, including three employees living with some disabilities. We are mindful of maintaining a balance in our new-hire approach, with 45% F:55% M representation. Collectively, these initiatives underscore FCMB's commitment to a diverse, supportive, and engaged workplace where employees can thrive and contribute to the Bank's long-term success.

Purpose-Led Growth and Development Impact

FCMB's financial performance is closely aligned with its purpose of enabling inclusive and sustainable economic development.

In 2025, the Bank increased its sustainable finance portfolio to ₦364 billion and deployed an additional US\$125 million to support non-oil export businesses, including farmers and processors—strengthening value chains, improving foreign exchange earnings, and supporting inclusive growth.

FCMB raised \$2,782,733,000 from DFIs and other organizations for on-lending to support the SDGs, including Grants, Technical Assistance and Portfolio Guarantees. SME lending grew by 28% to ₦537.5 billion, while retail lending expanded by 26.45% to ₦356.5 billion, reflecting FCMB's commitment to expanding access to finance across households and enterprises. The Capital Markets business further supported corporate and institutional clients by leading or participating in 70 transactions, raising over ₦3.79 trillion and reinforcing FCMB's role in mobilising long-term capital for economic growth.

Sustainability Report

Innovation and Digital Transformation

Innovation remains a core driver of FCMB's growth and operating efficiency. In 2025, digital revenue reached ₦144.9 billion, reflecting increased adoption of digital channels and data-driven products.

Credit Direct's AI-powered assistant, CLARA, enabled ₦3.3 billion in loan disbursements, generated ₦1.2 billion in revenue, and supported over 170,000 customer interactions, enhancing credit access while improving risk efficiency. The Group commenced self-service account opening and onboarding via the FCMB mobile app, averaging 73,322 new accounts per month, significantly improving accessibility and customer experience. Payment revenues on the app increased by 17% year-on-year to ₦13.5 billion by December 2025. In parallel, Temi, the Bank's AI assistant, handled over 2.19 million customer interactions, reinforcing scalable service delivery.

Climate Adaptation: Managing Physical Risk and Building Resilience

FCMB recognises that physical climate risks—including flooding, heat stress, and climate variability—present immediate and material threats to client cash flows, collateral values, and operational continuity, particularly across agriculture, SMEs, and infrastructure-linked portfolios.

To address these risks, FCMB has embedded resilience financing and operational adaptation into its business and risk management frameworks.

Adaptation initiatives at FCMB include:

- Physical Risk & Resilience Lending:**
FCMB provides targeted financing for climate-smart agriculture, flood-resilient infrastructure, water management solutions, and resilient SME assets. These investments enhance clients' adaptive capacity, stabilise revenues, and reduce default risk in climate-vulnerable sectors and locations.
- SME and Enterprise Resilience Support:**
Through diversified SME financing across agriculture, manufacturing, energy, water management, transportation, and services, FCMB supports productive assets and

supply chains that are better able to withstand climate shocks, thereby reducing concentration and physical risk exposure within the loan book.

- Operational Resilience Measures:**
The deployment of solar energy systems across 163 branches enhances energy reliability and business continuity during grid disruptions and extreme weather events, particularly in regions exposed to flooding and heat.
- Community-Level Adaptation and Environmental Interventions:**
Initiatives such as environmental sanitation support in the Marina business district, urban greening partnerships, and climate education programmes strengthen local environmental resilience and reduce indirect operational and reputational risks.

Collectively, these actions reduce physical credit risk, enhance portfolio stability, and demonstrate FCMB's preparedness for increasing regulatory and supervisory focus on climate risk management.

Climate Mitigation: Reducing Emissions and Supporting the Low-Carbon Transition

FCMB's mitigation strategy focuses on reducing the Bank's operational carbon footprint while enabling clients to transition toward lower-carbon business models.

Mitigation initiatives at FCMB include:

- Low-Carbon Operations:**
The Bank's transition to alternative energy sources, including solar power across 163 branches, has reduced reliance on fossil fuels and diesel generators, lowering Scope 1 and Scope 2 emissions from day-to-day operations.
- Operational Efficiency and Waste Management:**
FCMB has implemented responsible waste management practices, including sewage recycling, engaging licensed waste evacuation providers, and improving vendor service standards nationwide. These measures reduce environmental pollution and operational carbon emissions.

Sustainability Report

- Green Workplace Optimisation:**
 Major remodelling and environmental upgrades at 16 locations have improved energy efficiency, workspace quality, and resource use, supporting long-term emissions reduction and employee wellbeing.
- Digitalisation and Process Optimisation:**
 The adoption of automated driver assessments, visitor management systems, and location-monitoring technologies reduces operational inefficiencies, paper use, and unnecessary travel, thereby contributing indirectly to emissions reduction.
- Climate-Aligned Financing:**
 Through financing in renewable energy, energy-efficient infrastructure, and technology-enabled agriculture, FCMB supports emissions reduction within its financed portfolio, addressing transition risks across key economic sectors.

Sustainability and Board Oversight at FCMB

At FCMB, sustainability governance is anchored at the Board level, reflecting the Bank's conviction that effective oversight of sustainability-related risks and opportunities is essential to long-term value creation, balance sheet resilience, and stakeholder trust. The Board exercises ultimate responsibility for setting the tone, direction, and accountability framework for sustainability across the Group.

Sustainability oversight is supported by a structured Committee framework that aligns sustainability governance with existing responsibilities: Board Risk Committee oversees sustainability and climate-related financial risks, ensuring integration into enterprise risk management, credit governance, and stress testing.

Ethics & Compliance, Code of conduct, Responsible Banking, Anti-corruption and Whistleblowing

Ethics, compliance, and conduct are the foundational drivers of sustainable value at FCMB. The governance framework is supported by a comprehensive suite of policies, standards, and controls that guide decision-making, protect stakeholders, and reinforce accountability across the organisation.

FCMB's Code of Conduct sets out the principles and behaviours expected of Directors, Management, and employees. It establishes a clear standard for integrity, professionalism, fairness, and respect in all interactions with customers, regulators, business partners, and communities.

The Code addresses, among others: Conflicts of interest, Fair treatment of customers, Confidentiality and data protection, Gifts, hospitality, and inducements & Compliance with laws, regulations, and internal policies

Anti-Corruption and Anti-Bribery

FCMB maintains policies designed to prevent bribery, corruption, fraud, and other unethical practices. Anti-corruption requirements are embedded in our Code of Conduct and supported by dedicated policies, procedures, and internal controls.

Key measures include:

- Clear prohibition of bribery and corrupt practices,
- Risk-based controls and due diligence on third parties,
- Employee training and awareness programmes & Investigation and disciplinary processes for breaches.

These measures are designed to prevent financial loss, legal exposure, and reputational damage, while reinforcing a culture of integrity.

Whistleblowing

FCMB encourages speaking up through its whistleblowing framework, which provides secure, confidential channels for employees and external stakeholders to report concerns without fear of retaliation. Reports may cover unethical behaviour, fraud, regulatory breaches, or other misconduct.

The whistleblowing process is governed by clear procedures that ensure confidentiality and protection of whistleblowers; independent investigation of reported matters; appropriate escalation and remediation, and oversight by relevant Board Committees.

This framework strengthens governance, enhances risk detection, and reinforces trust across the organisation.

Sustainability Report

Physical Risk & Resilience Lending

To mitigate the financial impacts of physical climate risks – including flooding, heat stress, and increasing climate variability. FCMB has embedded resilience and adaptation financing into its credit strategy. The Bank channels funding towards climate-smart agriculture, flood-resilient infrastructure, water and drainage management solutions, and resilient productive assets for SMEs operating in climate-vulnerable regions.

These targeted investments strengthen clients' operational continuity, safeguard cash-flow stability, and preserve collateral values, thereby reducing downside credit risk for the Bank. At the same time, they enhance the adaptive capacity of households, businesses, and communities, supporting long-term economic resilience amid evolving climate conditions.

FCMB's physical risk and resilience lending portfolio demonstrated sustained growth, increasing from ₦425.1 billion in 2024 EoY to ₦509.9 billion in 2025 – June (19.95% growth), and further to ₦537.5 billion in 2025 (5.43% growth). The expansion in 2024 reflects deliberate scaling of adaptation-focused financing in response to heightened flood and heat-related risks, while the moderated growth in 2025 signals portfolio consolidation and improved risk calibration.

Overall, FCMB's approach affirms its commitment to climate-resilient economic development, aligning risk management objectives with sustainable finance outcomes.

Community Investment and Social Impact

Through structured community investment initiatives and donations, FCMB supports social development priorities, including education, empowerment, and community resilience. These interventions are designed to deliver measurable impact while strengthening relationships with stakeholders and supporting the long-term stability of the environment in which the Bank operates. FCMB's community investment strategy is anchored on education, empowerment, health, and environmental sustainability, delivering long-term, inclusive impact aligned with national development priorities and the United Nations Sustainable Development Goals

(SDGs). Through sustained partnerships and targeted interventions, the Bank addresses structural social challenges while strengthening human capital and community resilience.

Education

Education remains a cornerstone of FCMB's social investment approach, reflecting the Bank's belief that quality education is fundamental to sustainable development and economic inclusion.

Through its Education Sponsorship Programme, FCMB annually supports five high-performing students from Ijebu Muslim College, providing the financial assistance required to safeguard access to quality education and drive social mobility within underserved communities (SDG 4).

Since 2007, FCMB has maintained uninterrupted scholarship support to the Bethesda Child Support Foundation, representing a 19-year commitment to education as a driver of national development. The programme has supported over 5,000 beneficiaries, contributing to improved academic outcomes, reduced dropout rates, and strengthened long-term human capital formation among less-privileged children (SDG 4).

FCMB's commitment to financial capability development is demonstrated through its Financial Literacy Day initiative. Over 11 years, the programme has reached more than 30,000 students across 300 schools, spanning Nigeria's six geopolitical zones. Launched in collaboration with the Central Bank of Nigeria in 2014, the initiative promotes responsible financial behaviour, long-term empowerment, and intergenerational financial security (SDGs 1 and 8).

The Bank has also commemorated World Savings Day for over a decade, delivering nationwide financial literacy outreach to secondary schools and reinforcing savings culture, financial inclusion, and economic resilience among young people (SDGs 1 and 8).

Since 2019, FCMB's partnership with the Art Slum Foundation has supported over 5,000 out-of-school children by providing learning materials and access to basic education. The initiative promotes educational inclusion and creates pathways for improved socio-economic outcomes among

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vulnerable populations. The programme has also reached more than 30,000 students across 300 schools, spanning Nigeria's six geopolitical zones (SDGs 1, 4, and 8).

Empowerment

FCMB's empowerment initiatives focus on expanding economic participation, building skills, and supporting vulnerable groups to achieve sustainable livelihoods.

Launched in 2024, A Different Kind of Love is FCMB's flagship inclusion programme for visually impaired people (VIPs). The initiative delivers education support, livelihood empowerment, economic opportunities, and household assistance, reaching over 1,500 beneficiaries and reinforcing dignity, equity, and social inclusion for people with disabilities (SDGs 1, 4, and 8).

For the fourth consecutive year, FCMB sustained its partnership with Flip-To-Tech, providing free coding and animation training to Nigerian children. In 2025, over 5,000 students across 100 Lagos schools benefited, strengthening digital literacy, creativity, and future workforce readiness, while promoting equal access to ICT education (SDG 8).

In collaboration with the Dutch Entrepreneurial Development Bank (FMO), FCMB launched a ₦20 million AgriTech Investment Readiness Programme in 2025, marking the fifth edition of its AgriTech initiative. The programme supports high-potential Agritech startups through structured training, mentorship, and investment preparedness, positioning FCMB as a key enabler of technology-driven agricultural transformation (SDGs 8 and 9).

Through its partnership with the Tender Hearts Foundation, FCMB has provided grants to over 1,000 women entrepreneurs, strengthening household incomes, enhancing food security, and improving the resilience of women-led enterprises (SDGs 1 and 2).

Since 2016, FCMB's collaboration with the Youth Empowerment Foundation has delivered a 12-month skills acquisition and entrepreneurship programme for youths in Ibadan, Lagos, and Abuja. Over nine years, the initiative has impacted more than 5,000 beneficiaries, supporting self-employment, gender inclusion, and sustainable economic development (SDGs 1, 2, 4, and 5).

Health

FCMB's health interventions prioritise wellbeing, access to essential services, and improved productivity within underserved communities.

Since 2009, FCMB has partnered with the Tulsi Chanrai Foundation on the Priceless Gift of Sight initiative, addressing avoidable blindness through free cataract surgeries and eye health outreach. Over 16 years, the programme has impacted more than 400,000 beneficiaries nationwide, improving quality of life, productivity, and economic participation. In 2025, interventions were delivered across Calabar, Abuja, and Kebbi (SDGs 1, 2, 3, and 4).

In partnership with Cogniskills Limited, FCMB delivered specialised educational and developmental support for children with special educational needs. The programme reached over 50 beneficiaries, improving wellbeing, inclusion, and pathways to future employability (SDGs 3 and 8).

In December 2025, FCMB, in partnership with the Tender Hearts Foundation, executed a Food Bank Initiative to support vulnerable groups, including widows and single mothers. Reaching over 300 beneficiaries, the intervention addressed immediate food insecurity while strengthening household stability (SDGs 1, 2, 3, and 4).

Environment

FCMB integrates environmental sustainability into its community investments, supporting cleaner cities and climate awareness.

For the tenth consecutive year, FCMB sustained its partnership with the Lagos State Government to support environmental sanitation in the Marina business district. The programme provides wages, equipment, and protective gear for sanitation workers, supporting 23 beneficiaries while promoting cleaner public spaces and improved public health outcomes (SDGs 3, 6, 8, and 11).

Since 2024, FCMB has partnered with the Lagos Urban Development Initiative (LUDI) to deliver the Green Lagos Competition, empowering youths to design innovative, scalable solutions for urban greening. With over 500

Sustainability Report

participants, the initiative fosters environmental awareness, innovation, and sustainable urban development (SDGs 8 and 11).

FCMB also marked World Environment Day at the Lekki Conservation Centre, engaging students in climate education and environmental protection activities, reinforcing the Bank's commitment to climate action and environmental stewardship (SDG 13).

Stewardship for the Future

The Board remains committed to continuous improvement in sustainability governance, transparency, and disclosure, in line with evolving regulatory and investor expectations. Our stewardship approach is anchored in the belief that governance, disciplined risk management, and responsible banking are inseparable from long-term value creation. Through sustained oversight and accountability, FCMB will continue to build a resilient institution—one that delivers competitive returns, earns stakeholder trust, and plays a constructive role in shaping a sustainable financial system.

Looking Ahead

FCMB is committed to building a resilient institution that delivers competitive returns. We create value by influencing positive economic outcomes and contributing to Nigeria's national development. In doing so, we reinforce our position as a forward-looking financial institution aligned with the evolving expectations of regulators, investors, and communities. Sustainability continues to shape how we grow, manage risk, and create value for shareholders and society. Through disciplined execution and clear accountability, FCMB is well positioned to deliver sustainable returns while supporting Nigeria's economic development and the stability of the financial system.

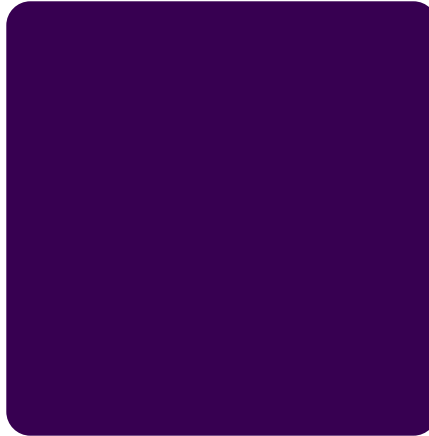
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Corporate Governance

Board of Directors*



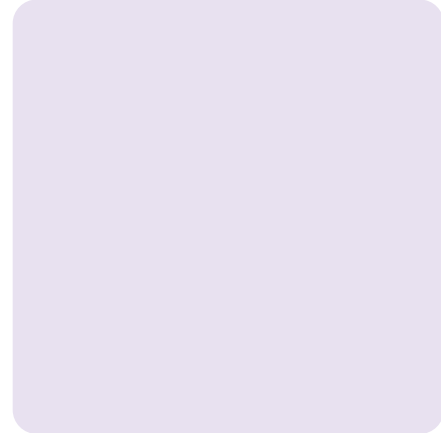
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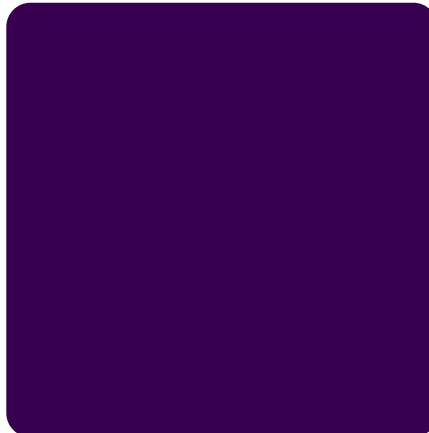
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1 Mr. Oladipupo Jadesimi
Non-Executive Director (Chairman)

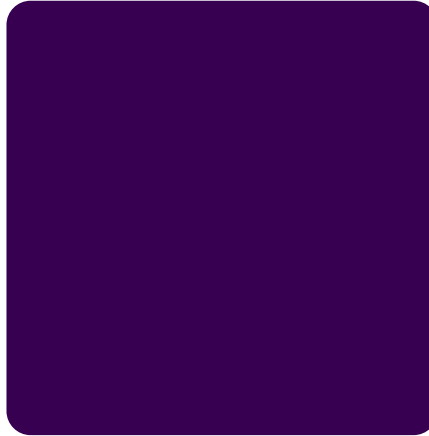
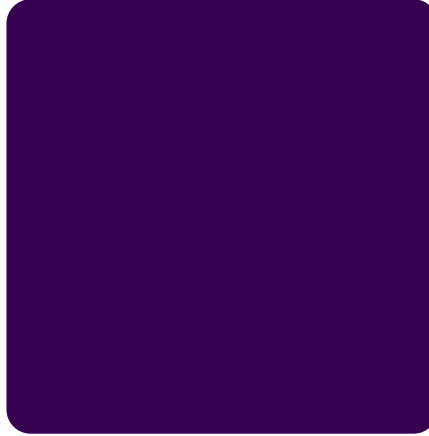
2 Mr. Ladi Balogun
Group Chief Executive

3 Mr. Gbolahan Joshua
Executive Director (Chief Operating Officer)

4 Olufemi Badeji
Executive Director
(Coverage & Investment Banking)

5 Professor Oluwatoyin Ashiru, OON
Non-Executive Director

6 Mrs. Olapeju Sofowora
Non-Executive Director



7 Dr. (Engr) Gregory Omosigho Ero
Non-Executive Director

9 Ms. Muibat Ijaiya
Non-Executive Director

8 Mrs. 'Tokunboh Ishmael
Non-Executive Director

10 Alhaji Mustapha Damcida
Non-Executive Director

Directors' Profiles

Mr. Oladipupo Jadesimi

Chairman

Mr. Oladipupo Jadesimi was born on 12 July 1942. He has an Oxford MA (Honours) in Law and was a jurisprudence scholar at the University of Oxford from 1963 to 1966. He was a senior with Coopers and Lybrand Lagos from 1966 to 1970, before moving to Nigerian Acceptances (later NAL Plc) as General Manager, Corporate Finance and Investment Banking, a role he occupied from 1971 to 1972, with responsibility for most of the initial IPOs that were listed on the nascent Nigerian Stock Exchange. From 1978 to 1982, he worked with Arthur Andersen now KPMG, the then largest accounting firm in the world, where he was the sole Nigerian founding partner of the Firm. He is a Fellow of the Institute of Chartered Accountants in England and Wales (FCA) and a member of the Institute of Canadian Institute of Certified Public Accountants (CPA). Mr. Jadesimi joined the Board of FCMB Group Plc on 27 December 2017 as a Non-Executive Director and was appointed Chairman of the Board on 8 March 2018.

Mr. Ladi Balogun

Group Chief Executive

Mr. Ladi Balogun was born on 12 April 1972. He holds a bachelor's degree in Economics from the University of East Anglia, UK and an MBA from Harvard Business School, US. He began his banking career in 1993 at Morgan Grenfell & Co Limited, where he worked in the areas of risk management and corporate finance (debt origination). Subsequently, he worked at Citibank in New York before returning to Nigeria as an Executive Assistant to the Chairman and Chief Executive in 1996. He was appointed as an Executive Director in charge of the Institutional Banking Group (IBG) in 1997. In 2000, he was made Executive Director in charge of Strategy and Business Development, and in 2001 he rose to the position of the Bank's Deputy Managing Director and was subsequently appointed Managing Director of First City Monument Bank Plc (now First City Monument Bank Limited). Mr. Ladi Balogun became the Group Chief Executive of FCMB Group Plc effective 14 March 2017.

Mr. Gbolahan Joshua

Executive Director (Chief Operating Officer)

Mr. Gbolahan Joshua was born on 17 March 1975. He has served in various leadership capacities as CFO, CIO and COO. Prior to joining FCMB Group as Chief Operating Officer (COO), he was the Executive Director, Chief Operations and Information Officer with Fidelity Bank Plc, where he led various transformation

initiatives. He was the Project Director for several initiatives including the technology refresh project, digital transformation project and 3 successful International and local debt capital raising transactions in the last 5 years. He attended Kings College Lagos, is a graduate of Olabisi Onabanjo University, an Associate Member (ACA) of the Institute of Chartered Accountants of Nigeria (ICAN) and a Senior Member (HCIB) of the Chartered Institute of Bankers (CIBN). Mr. Joshua joined the Board of FCMB Group Plc effective 2 September 2021.

Mr. Olufemi Badeji

Executive Director (Coverage & Investment Banking)

Mr. Olufemi Badeji was born on 9 January 1975. He has over 15 years of investment banking experience in the US, Nigeria and South Africa. Mr. Badeji has worked for the now defunct Lehman Brothers and Houlihan Lokey in the US. Moving back to Nigeria in October 2009, he worked as a Vice President for FCMB Capital Markets. In September 2011, he joined Rand Merchant Bank and was the Head of Corporate Finance for Nigeria until he joined FCMB Group Plc on 2 October 2019.

Professor Oluwatoyin Ashiru, OON

Non-Executive Director

Professor Oluwatoyin Ashiru was born on 28 July 1954. He is a graduate of the University of Sussex in Brighton, UK, where he obtained a BSc in Materials Science and Engineering. He concluded his PhD at the University of Birmingham, UK in Industrial Metallurgy.

He began his career as a lecturer in mechanical engineering at the Universities of Lagos and Ibadan before serving as Nigerian Senior Research Fellow at the International Tin Research Institute in the UK. He is currently the Managing Director/CEO of Tricontinental Oil Services Ltd. Professor Ashiru has extensive project management experience in major international refining, chemical, petrochemical, offshore oil and gas development, pipeline, infrastructure and power generation projects ranging from US\$40 million to US\$2 billion.

Professor Ashiru holds American, British, European, Brazilian, and other international patents for products and systems that he invented. He joined the Board of FCMB Group Plc on 23 December 2013 and retired with effect from December 31, 2025.

Directors' Profiles

Mrs. Olapeju Sofowora

Independent Non-Executive Director

Mrs. Olapeju Sofowora was born on 5 August 1964. She is a Fellow, Institute of Chartered Accountants of Nigeria and a member of the Chartered Institute of Taxation of Nigeria.

She holds a treasurer's dealership certificate jointly issued by the Chartered Institute of Bankers of Nigeria and Money Market Association of Nigeria (now the Financial Markets Dealers Association of Nigeria) and is also a certified information systems auditor. The founding partner of Abax-Oosa Professionals, a firm of chartered accountants, Mrs. Sofowora has several years of professional work experience that cuts across banking, human resources consultancy, tax advisory, finance and accounting.

Mrs. Sofowora joined the Board of FCMB Group Plc on 27 December 2017 and retired with effect from December 31, 2025.

Mrs. 'Tokunboh Ishmael

Non-Executive Director

Mrs. 'Tokunboh Ishmael was born on 28 March 1966. She is an alumna of the London Business School and the University of London. She is a Chartered Financial Analyst and a member of the CFA Institute and the board of the African Venture Capital Association.

She has over 20 years' experience spanning investment banking, private equity investing, technology and new business development in the USA, Europe and Africa. She served diligently on the Board of First City Monument Bank Limited (the Bank) from January 2013 to February 2020 and has over the years been of tremendous positive influence on the Bank's innovative drive. Mrs. Ishmael joined the Board of FCMB Group Plc effective 28 April 2020 and retired with effect from April 30, 2025.

Dr. (Engr) Gregory Omosigbo Ero

Non-Executive Director

Dr. Gregory Ero was born on 1 July 1947. He is a graduate of the University of Ibadan with a BSc (Honours) in Chemistry. He attended Imperial College, London, where he obtained an MSc and DIC in Petroleum Engineering, and he obtained a DMS from Templeton College, University of Oxford. He furthered his studies at the Graduate School of Business, University of Columbia, New York and the Institute for Management Development in Lausanne, Switzerland.

He began his career as a petroleum engineer in the Lagos office of the Federal Ministry of Petroleum and Energy, and thereafter, was posted as Head, Federal Ministry of Petroleum Resources, Warri. He spent much of his career in the public service, where he served in many capacities, spanning three decades in the petroleum industry at NNPC. He joined the Board of FCMB Group Plc on 23 December 2013 and retired with effect from December 31, 2025.

Ms. Muibat Ijaiya

Independent Non-Executive Director

Ms. Muibat Ijaiya was born on January 14, 1972. She is a Strategy Development and Execution expert focused on measurable transformation and impact. She holds a BSc Mathematics & Education from the University of Surrey and a Warwick Business School MSc. Management Science and Operational Research certificate. She also obtained an MBA from the University of Manchester.

Ms. Ijaiya is a partner at Strategy Management Partners, a professional services organisation focused on helping private and public organisations around the world to clarify, develop, align and execute their strategies. Prior to this, she was a director with Palladium Group Inc (United Kingdom & Middle East) and previously worked directly with Drs. Kaplan & Norton, the co-creators of the Strategy Focused Organisation and Balanced Scorecard concepts. She joined the Board of FCMB Group Plc effective 28 April 2021.

Alhaji Mustapha Damcida

Non-Executive Director

Alhaji Mustapha Damcida was born on 20 March 1963. He holds a Diploma in Law from Ahmadu Bello University and a BSc in Business Administration from Robert Morris University, Pittsburgh, United States. He is the MD/CEO of Damus International Limited, Damus Security Solutions Limited and Damson Properties Limited. He was a Director at the Nigerian American Bank Limited between 2004 and 2005. Prior to joining the Board of FCMB Group Plc as a Non- Executive Director on 1 July 2013, he served on the Board of First City Monument Bank Limited. He retired from the Board with effect from June 17, 2025.

Board Evaluation Report



Report of the Independent Consultant to the Board of Directors of FCMB Group PLC on their Appraisal for the Year Ended 31 December 2025.

In compliance with the guidelines of Section 10.1 of the Central Bank of Nigeria (CBN) Corporate Governance Guidelines for Commercial, Merchant, Non-interest And Payment Service Banks in Nigeria ("the CBN Guidelines") and Section 14.1 of the Nigerian Code of Corporate Governance 2018 ("NCCG"), FCMB Group Plc. ("the Group") engaged KPMG Advisory Services to carry out an appraisal of the Board of Directors ("the Board") for the year ended 31 December 2025. The CBN Guidelines mandates an annual appraisal of the Board with specific focus on the Board's structure and composition, responsibilities, processes and relationships.

We have performed the procedures agreed with the Company in respect of the appraisal of the Board and evaluation of its compliance with corporate governance requirements in accordance with the provisions of the CBN Code and the NCCG. These procedures, which are limited in scope but sufficient for the Board's objectives in line with the Codes, are different in scope from an external audit. Consequently, no opinion is expressed by us on the activities reported upon.

Our approach to the appraisal of the Board and evaluation of the Board's corporate governance practices involved a review of the Group's Board papers and minutes, key corporate governance structures, policies and practices as well as the Company's compliance with applicable codes of corporate governance. This included the review of the corporate governance framework, representations obtained from questionnaires and interviews with the members of the Board and senior management.

On the basis of our review, the Group's corporate governance practices are largely in compliance with the key provisions of the Codes of Corporate Governance mentioned above. Specific recommendations for further improving the Group's governance practices are included in our detailed report to the Board.

A handwritten signature in black ink, appearing to read 'B. Afolabi', written in a cursive style.

Bimpe Afolabi

Partner, Internal Audit & Governance, Risk and Compliance Services
FRC/2012/PRO/00000000437

KPMG Advisory Services

March 2026

Corporate Governance

Commitment to Corporate Governance

FCMB Group Plc (the Group) remains committed to institutionalizing corporate governance principles. It continues to adhere to the implementation of Corporate Governance Rules of the Central Bank of Nigeria, The Nigerian Exchange Group, the Securities and Exchange Commission and the Financial Reporting Council of Nigeria.

The Group's Board (the Board) operates in line with its responsibilities as contained in Regulatory Codes of Corporate Governance, the Company's Articles of Association and the Companies and Allied Matters Act. Its oversight of the operations and activities of the Company are carried out transparently without undue influence.

The Group has undertaken to create an institutional framework conducive to defending the integrity of our Directors, and is convinced that on account of this, the Group's Board is functioning in a highly effective manner. It is intended that we continue to challenge ourselves to improve in areas where the need for improvement is identified.

Board Composition and Independence

During the 2025 financial year, the Board comprised ten Directors (including some who have since retired), consisting of seven Non-Executive Directors and three Executive Directors. This composition was in line with international best-practice governance standards, which require a majority of Non-Executive Directors to ensure effective oversight, independence, and sound corporate governance.

The appointment of Board members is in line with the Companies and Allied Matters Act 2020, CBN Code of Corporate Governance, and the Company's selection criteria for Directors.

The Group's Board, led by a Non-Executive Chairman, is composed of individuals with enviable records of achievement in their respective fields, who bring high levels of competencies and experience to the Board. The Board meets regularly to set broad policies for the Group's business and operations and ensures that an objective and profes-

sional relationship is maintained with the Group's internal and external auditors in order to promote transparency in financial and non-financial reporting.

Directors' emoluments, as well as their shareholding information, are disclosed in the Company's Annual Report and Accounts.

The Directors are guided by the Corporate Governance Guidelines for Financial Holding Companies in Nigeria, the Securities and Exchange Commission Code of Corporate Governance for Public Companies in Nigeria as well as the Nigerian Code of Corporate Governance.

Board Selection and Appointment Process

The Board of the Company ensures a formal and transparent process for the selection and appointment of Directors to the Board. The Board Governance and Remuneration Committee plays a major role in the selection of candidates for appointment to the Board.

Appointed candidates must:

- be analytically strong.
- be financially savvy.
- contribute to a gender-diverse Board.
- be experienced in asset management.
- be suitably educated and professionally qualified.
- hold extensive relevant experience.
- be able to support business generation.
- have a good relationship with the regulatory authority.
- be well respected in society.
- demonstrate very high levels of integrity.
- pass the fit and proper person test.

The process involves:

- a careful analysis of the existing Board's strengths and weaknesses, its skills, experience gaps and diversity considering the Company's current business priorities and future plans;
- identification, shortlisting and interviewing candidates with the appropriate expertise and experience;
- conducting formal and informal background checks to

Corporate Governance

ensure they are fit and proper persons to sit on the Board of the Company;

- discussing formally with prospective candidates the Board's expectations and the nominee's ability to make the necessary commitment;
- the appointment process is communicated to Board members by the Company Secretary;
- external consultants may be engaged as appropriate to obtain an independent view and input into the appointment process;
- once the nomination is approved by the Board, the Company Secretary notifies the CBN in writing, seeking the CBN's approval for the appointment;
- upon approval by the CBN, the approval is communicated to the new Director in writing; and
- other required regulatory authorities are notified of the appointment in writing.

The CBN guidelines on appointment to the Board of Financial Holding Companies in Nigeria shall continue to be applied. The Guiding Principles of the Group's Code of Corporate Governance are as follows:

- the ultimate powers of the Company belong to the shareholders who are its owners;
- delegation of authority by the owners to the Board and subsequently to Board Committees and executives is clearly defined and agreed;
- institutionalized individual accountability and responsibility through empowerment and relevant authority;
- clear terms of reference and accountability for committees at Board and executive levels;
- effective communication and information sharing outside of meetings;
- actions are taken on a fully informed basis, in good faith with due diligence and care and in the best interest of the Group and the shareholders;
- enhancing compliance with applicable laws and regulations and the interest of the stakeholders; where there is any conflict between any legislation and the Group's rules, the local laws and legislation supersede;
- conformity with overall Group strategy and direction; and
- transparency and full disclosure of accurate, adequate and timely information regarding the personal interest of Directors in any area of potential conflict regarding Group business.

Role of the Board

- Investment and capital management, investor relations, Group financial and statutory reporting, articulation and approval of Group policies, setting overall Group strategic direction, monitoring and coordinating Group performance, succession planning for key positions on the Boards of the Group and operating companies.
- Reviewing alignment of goals, major plans of action, annual budgets and business plans with overall strategy; setting performance objectives; monitoring implementation and corporate performance and overseeing major capital expenditure in line with the approved budget.
- Ensuring the integrity of the Group's accounting and financial reporting systems (including the independence of Internal Audit, and that appropriate systems are in place for monitoring risk, financial control and compliance with the law).
- Selecting, compensating, monitoring and when necessary, replacing key executives and overseeing succession planning.
- Interfacing with the management of the Group to ensure harmony in implementing Group strategy.
- Performing all statutory roles as required by law.
- Through the establishment of Board Committees, making recommendations and taking decisions on behalf of the Board on issues of expenditure that may arise outside the normal meeting schedule of the Board.
- Ratifying duly approved recommendations and decisions of the Board Committees.
- Ensuring that the Company has an effective internal audit and risk management system in place.

Corporate Governance

Board of Directors

The Board of Directors met five times during the year as noted below:

Board of Directors Meetings in 2025.

NAMES	28 FEBRUARY	28 APRIL	28 JULY	28 OCTOBER	28 NOVEMBER
Mr. Oladipupo Jadesimi	✓	✓	✓	✓	✓
Mr. Ladi Balogun	✓	✓	✓	✓	✓
Mr. Gbolahan Joshua	✓	✓	✓	✓	✓
Mr. Olufemi Badeji	✓	✓	✓	✓	✓
Alhaji Mustapha Damcida (Retired effective June 2025)	x	✓	x	x	x
Dr. (Engr) Gregory Ero	✓	✓	x	x	✓
Professor Oluwatoyin Ashiru OON	✓	✓	✓	✓	✓
Mrs. Olapeju Sofowora	✓	✓	✓	✓	✓
Mrs. Tokunboh Ishmael (Retired effective April 2025)	✓	✓	x	x	x
Ms. Muibat Ijaiya	✓	✓	x	✓	✓

Board Induction and training

One of the focuses of the Group is to ensure capacity building at all levels. To this end, irrespective of the existing knowledge and experience of Board members, the Company ensures that training programmes are organized for Directors to improve their decision-making capacity and overall Board effectiveness. The Company Secretary is responsible for overseeing the induction of new Board members as well as overseeing the continuous training of Board members.

Induction for new Board members is essential to provide important information about the Company, Directors' roles and responsibilities and to help new Directors settle smoothly into the new role. This is to also ensure that Directors are adequately acquainted with the Board's purpose, responsibilities, practices, strategy and operations.

Furthermore, the induction programme is aimed at deepening Directors' understanding of the Company, the environment and markets in which it operates. The programme may include formal and informal discussions with executive management, and the provision of reading materials or workshops.

The Company Secretary oversees the provision of additional training to Directors on a continuous basis to enable them to gain a broader understanding and knowledge of the Company, the regulatory and competitive environment in which the Group operates.

The Company encourages and supports other informal training programmes for Directors, such as subscriptions to industry journals towards building relevant skills and interactive sessions at Board meetings whereby an external facilitator or a specialist from the Group facilitates sessions in specific areas of interest.

Notwithstanding the Company's responsibilities, each Director has a personal responsibility to ensure that he or she remains current and up to date regarding the strategies and businesses of the Company, as well as the industry and macroeconomic environment in which it operates.

Corporate Governance

During the year under review, the Directors attended the training programmes as shown below:

S/N	NAMES OF DIRECTORS	TRAINING TITLE	FACILITATING FACULTY (COURSE VENDOR)	DATE(S)
1	Mr. Oladipupo Jadesimi	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025
2	Mr. Ladi Balogun	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025
3	Mr. Olufemi Badeji	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025

Corporate Governance

S/N	NAMES OF DIRECTORS	TRAINING TITLE	FACILITATING FACULTY (COURSE VENDOR)	DATE(S)
4	Mr. Gbolahan Joshua	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025
5	Professor Oluwatoyin Ashiru, OON	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025
6	Alhaji Mustapha Damcida	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
7	Mrs. 'Tokunboh Ishmael	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025

Corporate Governance

S/N	NAMES OF DIRECTORS	TRAINING TITLE	FACILITATING FACULTY (COURSE VENDOR)	DATE(S)
8	Mrs. Olapeju Shofowora	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025
9	ENGR) Gregory O. Ero	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025
10	Ms. Muibat Ijaiya	ISSB IFRS S1 and S2 Sustainability Standards	Entop Consulting Limited	14, February 2025
		Anti Money Laundering/Combating the Financing of Terrorism: The Future is Now: Artificial Intelligence Applications in Financial Crimes and Prevention	Deloitte & Touche	17, April 2025
		IFRS S1 & S2 Implementation in Nigeria: FRC Regulation Board Expectation	Financial Reporting Council of Nigeria	2, October 2025
		Anti Money Laundering/Combating the Financing of Terrorism: Regulatory and Supervisory Expectations	Quadrant Advisory	17, October 2025
		Cyber Security Awareness Session: Data Protection Training for the Board	KPMG	21, November 2025

Corporate Governance

The Executive Directors were also enrolled for e-learning courses covering:

- Health and Safety at Workplace 2025
- FCMB Quality Management System 2025
- Digital Mindset in the Age of AI and
- FCMB Code of Conduct 2025.

Re-Election of Directors by Rotation

Pursuant to Section 285 (1) and (3) of the Companies and Allied Matters Act, 2020, one of the Directors is due for retirement by rotation and has offered himself for re-election at the Annual General Meeting.

The Director offering himself for re-election is Mr. Oladipupo Jadesimi whose profile is on page 36.

Board Committees

The Board approved the constitution of the four Board Committees listed below, with their respective responsibilities and roles clearly defined. Each of the Committees has a charter which guides the discharge of its duties.

Board Audit Committee (BAC)

Purpose of the Committee - The primary purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibility as it relates to audit, finance and budget matters as well as ascertaining the integrity of the financial statements and financial reporting process of the Group, independence and the performance of external and internal audit functions.

Membership

The Committee comprised four Non-Executive Directors. The Group Chief Executive and the Chief Operating Officer shall be in attendance as may be required by the Committee.

Committee composition

Mrs. Olapeju Sofowora (Chairperson), Dr. (Engr.) Gregory Ero, Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025); Ms. Muibat Ijaiya and Professor Oluwatoyin Ashiru OON (appointed with effect from July 28, 2025).

Board Audit Committee Meetings held in 2025

NAMES	28 FEB.	22 APR.	23 JUL.	22 OCT.	25 NOV.
Mrs. Olapeju Sofowora	✓	✓	✓	✓	✓
Dr. (Engr) Gregory Ero	✓	x	x	x	✓
Mrs. 'Tokunboh Ishmael	✓	x	x	x	x
Ms. Muibat Ijaiya	✓	✓	✓	✓	✓
Prof. Oluwatoyin Ashiru, OON	x	x	x	✓	✓

Board Investment Committee (BIC)

Purpose of the Committee - The primary purpose of the Investment Committee is to assist the Board in fulfilling its oversight responsibility as it relates to Investment implementation, capital and portfolio management, liquidity planning and ensuring that that the overall Investments align with the Group's goals.

Membership

The Committee comprised three Non-Executive Directors and three Executive Directors.

Committee composition

Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025); Ms. Muibat Ijaiya (Chairperson, with effect from July 28, 2025); Mrs. Olapeju Sofowora; Professor Oluwatoyin Ashiru, OON (appointed with effect from July 28, 2025); Mr. Ladi Balogun, Mr. Femi Badeji and Mr. Gbolahan Joshua.

Board Investment Committee Meetings held in 2025

NAMES	23 APR.	21 OCT.
Mrs. 'Tokunboh Ishmael	✓	x
Mrs. Olapeju Sofowora	✓	✓
Ms. Muibat Ijaiya	✓	✓
Professor Oluwatoyin Ashiru, OON	x	✓
Mr. Ladi Balogun	✓	✓
Mr. Femi Badeji	✓	✓
Mr. Gbolahan Joshua	✓	✓

Corporate Governance

Board Risk Management Committee (BRMC)

Purpose of the Committee - The primary purpose of the Risk Management Committee is to assist the Board in fulfilling its oversight responsibility as it relates to risk management, strategy, and compliance, as well as overseeing the establishment of policies, standards and guidelines for monitoring and managing risks, compliance, and strategy. As part of its risk management oversight functions, the Committee will also ensure corporate oversight and guidance for compliance activities and strategic initiatives.

Membership

The Committee comprised three Non-Executive Directors and two Executive Directors.

Committee Composition

Ms. Muibat Ijaiya (Chairperson), Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025), Mrs. Olapeju Sofowora, Professor Oluwatoyin Ashiru, OON (appointed with effect from July 28, 2025) Mr. Ladi Balogun and Mr. Gbolahan Joshua.

Board Risk Management Committee Meetings held in 2025

NAMES	22 APR.	23 JUL.	22 OCT.	25 NOV.
Ms. Muibat Ijaiya	✓	✓	✓	✓
Mrs. Olapeju Sofowora	✓	✓	✓	✓
Mrs. 'Tokunboh Ishmael	✓	x	x	x
Professor Oluwatoyin Ashiru	x	x	✓	✓
Mr. Ladi Balogun	✓	✓	✓	✓
Mr. Gbolahan Joshua	✓	✓	✓	✓

Board Governance and Remuneration Committee (BGRC)

Purpose of the Committee - Its functions include nominating new Directors to the Board, recommending the remuneration policy for the Group, overseeing Board performance and evaluation within the Group and succession planning for key positions on the Boards of the Group and subsidiaries.

Membership

The Committee comprised three Non-Executive Directors.

The Group Chief Executive shall be in attendance as may be required.

Committee Composition

Professor Oluwatoyin Ashiru OON (Chairman), Alhaji Mustapha Damcida (retired with effect from June 17, 2025), Mrs. Olapeju Sofowora, Mrs. 'Tokunboh Ishmael (retired with effect from April 30, 2025) and Ms. Muibat Ijaiya (appointed with effect from July 28, 2025).

Board Governance and Remuneration Committee Meetings held in 2025

NAMES	23 ARL.	18 JUNE	22 JUL.	21 OCT.	24 NOV.
Prof. Oluwatoyin Ashiru, OON	✓	✓	✓	✓	✓
Mrs. Olapeju Sofowora	✓	x	x	x	x
Dr. (Engr) Gregory Ero	✓	✓	✓	✓	✓
Mrs. 'Tokunboh Ishmael	✓	x	x	x	x
Ms. Muibat Ijaiya	x	x	x	✓	✓

Statutory Audit Committee (SAC)

Section 404 (2) of the Companies and Allied Matters Act 2020 requires a public company to establish an Audit Committee.

Subject to such other additional functions and powers that the Company's Articles may stipulate, the objectives and functions of the audit committee are to:

- ascertain whether the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
- review the scope and planning of audit requirements;
- review the findings on management matters in conjunction with the external auditor and departmental responses therein;
- keep under review the effectiveness of the Company's system of accounting and internal control;
- make recommendations to the Board regarding the appointment, removal and remuneration of the external auditors of the Company;

Corporate Governance

- authorize the internal auditor to carry out investigations into any activities of the Company which may be of interest or concern to the Committee; and examine the Auditors' Report and make recommendations thereon to the Annual General Meeting as it may deem fit.

Membership

According to Section 404 (3) of the Companies and Allied Matters Act 2020

- The Audit Committee shall consist of five members comprising three members and two Non-Executive Directors. The members of the Audit Committee are not entitled to remuneration and are subject to election annually.
- All members of the audit committee shall be financially literate, and at least one member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly.
- Any member may nominate another member of the Company to the audit committee by giving written notice of such nomination to the Company Secretary at least 21 days before the annual general meeting and any nomination not received prior to the meeting as stipulated is invalid.

In the 2025 financial year, the Audit Committee was chaired by Evangelist Akinola Soares.

Statutory Audit Committee Meetings held in 2025

NAMES	27 FEB.	24 APR.	24 JUL.	22 OCT.
Evangelist P. A. Soares	✓	✓	✓	✓
Alhaji S. B. Daranijo	✓	✓	✓	✓
Mr. Hakeem Batula	✓	✓	✓	✓
Professor Oluwatoyin Ashiru	✓	✓	✓	✓
Mrs. Olapeju Sofowora	✓	✓	✓	✓

Management Committees

The Board is supported by the Executive Management Committee (EMC) and the Group Executive Committee (GEC).

Executive Management Committee (EMC)

The EMC, usually chaired by the Group Chief Executive, comprises all the Executive Directors and departmental heads. Representatives of the operating companies may be invited if required. The EMC deliberates and makes decisions, as necessary, to optimize the resources of the Company and ensure the effective and efficient management of the Company. The EMC also articulates issues to be discussed by the Board. Ad hoc meetings may be held from time to time.

The Group Chief Executive is responsible for the daily running and performance of the Company.

Group Executive Committee (GEC)

The GEC is usually chaired by the Group Chief Executive, while other members are the Chief Operating Officer, the Executive Director, and the Chief Executive Officers of the operating companies in the Group as well as the Group Chief Financial Officer. The Company Secretary, who is also a member, serves as Secretary to the Committee. The GEC, from time to time, invites to its meetings any other person as may be required.

Board Evaluation and Assessment

In compliance with Section 12.2 of the CBN Corporate Governance Guidelines for Financial Holding Companies in Nigeria, which provides that there shall be an annual appraisal of the Board by an independent external consultant with adequate experience, knowledge and competence in corporate governance and performance, KPMG Advisory Services conducted the Board and Corporate Governance evaluation in the financial year 2025.

Corporate Governance

Shareholder Participation

In recognition of the importance of the provision of adequate information to shareholders and the Board's commitment to maintain high standards of corporate disclosure, meetings of shareholders are convened and held regularly as required by statutory and regulatory regimes. The Annual General Meeting allows for the interaction between Board, Management and Shareholders.

The Group also has a dedicated Investors Relations Department that facilitates communication with shareholders, stakeholders and analysts on a regular basis to address their queries and concerns.

Investors and stakeholders are frequently provided with information about the Group through Quarterly Investors Conference Calls.

The Group's website is updated regularly to keep Shareholders abreast of information on the Company.

The Group leverages the significant experience, contributions and advice of shareholder members of the Audit Committee.

The Group continues to take necessary steps to promote shareholder rights.

All stakeholders are invited to report any concern about a threatened or suspected breach of any corporate governance requirement to the office of the Company Secretary.

Remuneration Policy

The Board, either by itself or through the Board Governance and Remuneration Committee, has the responsibility to review and approve the remuneration of Directors. While performing this responsibility, the Board is to ensure that Non-Executive Directors' remuneration is in line with the Central Bank of Nigeria (CBN) Code of Corporate Governance.

The Non-Executive members of the Board shall be entitled to a sitting allowance and Directors' fee as may be agreed by the Board from time to time and in line with the CBN Code of

Corporate Governance. Additionally, they are entitled to be reimbursed for expenses incurred while carrying out their duties as Directors of the Company.

The Board's Non-Executive members, either directly or through the Board Governance and Remuneration Committee shall consider the remuneration payable to Executive Directors. The Executive members of the Board are not entitled to sitting allowances or Directors' fees paid to the Non-Executive Directors.

The level and make-up of Director remuneration should be sufficient to attract and retain the right calibre of members needed to run the Company successfully.

The Company does not grant share options as part of the remuneration to Directors. Where this is to be done, it shall be tied to performance with the limits set in any given financial year, and subject to the approval of the shareholders at the Annual General Meeting.

Share trading Policy

The Company has a Share Trading Policy which provides a basic explanation of what constitutes insider trading and the Company's policy to prevent it, including:

- a description of what conduct may constitute insider trading;
- a description of the acceptable times for persons who fall within the definition of insiders to trade in the Company's securities to minimize the risk of insider trading; and
- the steps for insiders and their connected persons to take when trading the Company's securities.
- The detailed policy document is hosted on the Company's website.

Whistleblowing Procedures

The Board has a duty to conduct the Group's affairs in a responsible and transparent manner and to consider legal and regulatory requirements under which the Group operates. The Board is also committed to the principle of sound Corporate Governance and behaviour as enunciated in the CBN Code of

Corporate Governance

Corporate Governance for banks and other financial institutions in Nigeria. One of the several ways a breach of regulatory requirements and Management and staff misconduct can be addressed is through a Whistleblowing programme.

As such, the Whistleblowing Policy and Procedures of the Group are designed to encourage stakeholders to bring unethical conduct and illegal violations to the attention of an internal and/or supervising authority so that action can be taken to resolve the problem. All stakeholders are provided with the details of the Ethics Line facilities via the Group's website. The Ethics Line facilities include 0703-000-0026, 0703-000-0027, 0708-060-1222 and 0808-822-8888.

Statement of Compliance with the CBN Corporate Governance Guidelines

The Board affirms that it is committed to ensuring full compliance with the Corporate Governance Guidelines for Financial Holding Companies in Nigeria.

Statement of Compliance with SEC Code of Corporate Governance

In compliance with Section 34.7 of the Securities and Exchange Commission (SEC) Code of Corporate Governance for Public Companies in Nigeria (the Code) which governs the operations of FCMB Group Plc, the Board confirms compliance with the Code as disclosed in the Annual Report and Accounts.

Statement of Compliance with the Nigerian Code of Corporate Governance 2018 (NCCG Code)

In compliance with Section 28.5 of the NCCG Code, the Board confirms compliance with the NCCG Code as disclosed in the Board Evaluation Report and the Annual Report and Accounts.

Disclosure to the Shareholders

Directors' Fees

The Directors' fees for the financial year ending 31 December 2026 shall be maintained at N280,000,000.00 only.

Years of services of Deloitte & Touche

Deloitte and Touche, the external auditors have served for five years as at the end of the reporting period.



Mrs. Olufunmilayo Adedibu

Company Secretary

FRC/2014/PRO/NBA/002/00000005887

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Consolidated
Financial Statements

Board of Directors, Officers & Professional Advisors

FOR THE YEAR ENDED 31 DECEMBER 2025

Directors	1	Mr. Oladipupo Jadesimi (Chairman)
	2	Mr Ladi O. Balogun (Group Chief Executive)
	3	Mr Gbolahan Joshua (Chief Operating Officer)
	4	Mr Olufemi Badeji (Executive Director)
	5	Alhaji Mustapha Damcida (Non-Executive Director) <i>(Retired effective from 17 June 2025)</i>
	6	Professor Oluwatoyin Ashiru (Non Executive Director) <i>(Retired effective from 31 December 2025)</i>
	7	Dr (Engr) Gregory O. Ero (Non-Executive Director) <i>(Retired effective from 31 December 2025)</i>
	8	Mrs. Olapeju Eniola Sofowora (Non-Executive Independent Director) <i>(Retired effective from 31 December 2025)</i>
	9	Mrs. Tokunboh Ishmael (Non Executive Director) <i>(Retired effective from 30 April 2025)</i>
	10	Ms. Muibat Ijaiya (Non-Executive Independent Director)
Company Secretary	Mrs. Olufunmilayo Adedibu	
Registered office	FCMB Group Plc First City Plaza 44, Marina Lagos	
Auditors	Deloitte & Touche Nigeria Civic Towers Ozumba Mbadiwe Avenue Victoria Island Lagos	
Board Appraiser	KPMG Advisory Services KPMG Towers Bishop Aboyade Cole Street Victoria Island Lagos	

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their annual report on the affairs of FCMB Group Plc ("the Company") and its subsidiaries ("the Group"), together with the financial statements and independent auditor's report for the year ended 31 December 2025.

a. Legal Form

FCMB Group Plc was incorporated in Nigeria as a financial holding company on 20 November, 2012, under the Companies and Allied Matters Act, Cap C.20, Laws of Federation of Nigeria 2004.

b. Principal Activity and Business Review

The Company is a non-operating financial holding company, regulated by the Central Bank of Nigeria (CBN). The principal activity of the Group continues to be the provision of comprehensive banking and financial services to its wholesale and retail customers. Such services include cash management, trade, loans and advances, corporate finance, investment banking, securities brokerage, money market activities and foreign exchange operations.

Through ownership of FCMB Group Plc, shareholders own 100% of the following subsidiaries; FCMB Capital Markets Limited, FCMB Trustees Limited (formerly CSL

Trustees Limited), FCMB Microfinance Bank Limited, Credit Direct Finance Company Limited, CSL Stockbrokers Limited (including its subsidiary FCMB Asset Management Limited) and First City Monument Bank Limited (and its subsidiaries - FCMB (UK) Limited and FCMB Financing SPV Plc) and 91.71% of FCMB Pensions Limited.

The Group does not have any unconsolidated structured entity.

c. Operating Results

The gross earnings and profit after income tax recorded by the Group for the year ended 31 December 2025 was N1,131.77billion and N177.27billion respectively (2024: N794.43billion and N73.34billion). The Directors affirm that the Group is strategically poised for continued growth and development. Highlights of the Group's operating results for the year under review are as follows:

In thousands of naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Gross earnings	1,131,774,786	794,430,083	41,718,740	43,507,278
Profit before minimum tax and income tax	202,100,396	111,895,170	31,980,828	38,175,230
Windfall tax	(7,573,475)	(17,671,442)	-	-
Minimum tax	(4,886,994)	(3,289,172)	-	-
Taxation charge	(12,368,994)	(17,597,088)	1,818,595	(7,772,543)
Profit after tax	177,270,933	73,337,468	33,799,423	30,402,687
Appropriations:				
Transfer to statutory reserve	24,940,092	8,811,864	-	-
Transfer to retained earnings	152,330,841	64,525,604	33,799,423	30,402,687
	177,270,933	73,337,468	33,799,423	30,402,687
Basic earnings per share (Naira)	3.99	2.38	0.62	0.83
Diluted earnings per share (Naira)	3.99	2.38	0.62	0.83
Total non-performing loans and advances	125,950,824	147,979,386	-	-
Total non-performing loans to total gross loans and advances (%)	5.09%	5.95%	-	-

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

Proposed dividend

The Board of Directors has recommended a cash dividend of 35 kobo per issued and fully paid ordinary share for the year ended 31 December 2025 (2024: 55 kobo) totaling N23,084,107,645.90 (2024: N21,782,981,859.10). The payment of this dividend is subject to approval by shareholders at the Annual General Meeting.

The dividend will be payable to all shares in issue at the time of declaring the dividend, including 23,182,887,000 shares allotted subsequent to the year end. This brings the total number of shares ranking for dividend to 65,954,593,274 (2024: 39,605,421,562).

Payment of dividends is subject to withholding tax at a rate of 10% in the hand of recipients.

d. Directors' shareholding

The direct and indirect interests of Directors in the issued share capital of the Company as recorded in the register of Directors shareholding and / or as notified by the

Directors for the purposes of sections 301 of the Companies and Allied Matters Act Cap C20, Laws of the Federation of Nigeria 2020 and listing requirements of the Nigerian Stock Exchange are nil (2024 : nil)

e. Directors' interests in contracts

For the purpose of section 303 of the Companies and Allied Matters Act 2020, none of the Directors had any direct or indirect interest in contracts or proposed contracts with the Company during the year.

f. Property and Equipment

Information relating to changes in property and equipment is given in Note 31 to the financial statements. In the Directors' opinion, the market value of the Group's properties is not less than the carrying value in the financial statements.

Directors' shareholding	Shareholding as at 31 December 2025		Shareholding as at 31 December 2024	
	Number of 50k Ordinary Shares Held		Number of 50k Ordinary Shares Held	
	Direct holdings	Indirect holdings	Direct holdings	Indirect holdings
Mr. Oladipupo Jadesimi (Chairman)	190,463,000	-	197,312,000	-
Mr. Ladi O Balogun (Group Chief Executive)	487,134,631	438,839,000	205,166,756	438,839,000
Mr Gbolahan Joshua (Chief Operating Officer)	25,892,857	-	23,300,000	-
Mr. Olufemi Badeji (Executive Director)	23,873,324	-	22,100,000	-
Alhaji Mustapha Damcida (Non-Executive Director)	-	-	-	-
Professor Oluwatoyin Ashiru (Non Executive Director)	3,055,187	-	3,055,187	-
Dr (Engr) Gregory Omosigho Ero (Non-Executive Director)	-	-	-	-
Mrs. Olapeju Eniola Sofowora (Nee Olashore) (Non-Executive Independent Director)	1,000,000	-	1,100,000	-
Mrs. Tokunboh Oluyomi Ishmael (Non Executive Director)	4,150,000	-	4,150,000	-
Ms. Muibat Ijaiya (Non-Executive Independent Director)	2,748,000	-	2,748,000	-

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

g. Shareholding Analysis

The shareholding pattern of FCMB Group Plc as at 31 December 2025 is as stated below:

Share Range	No. Of Shareholders	% Of Shareholdings	No. Of Holdings	% Of Shareholdings
1-10,000	541,874	91.81	544,985,537	1.27
10,001-50,000	34,369	5.82	738,289,729	1.73
50,001-100,000	6,199	1.05	464,656,470	1.09
100,001-500,000	5,990	1.01	1,199,129,259	2.80
500,001-1,000,000	827	0.14	627,035,479	1.47
1,000,001-5,000,000	679	0.12	1,360,435,080	3.18
5,000,001-10,000,000	84	0.01	605,469,676	1.42
10,000,001-50,000,000	100	0.02	2,259,779,366	5.28
50,000,001-100,000,000	19	0.00	1,378,272,614	3.22
100,000,001-500,000,000	23	0.00	4,299,326,019	10.05
500,000,001-1,000,000,000	13	0.00	9,602,063,419	22.45
1,000,000,001-42,771,706,274	12	0.00	19,692,263,626	46.04
TOTAL	590,189	100	42,771,706,274	100

31 DECEMBER 2024

Share Range	No. Of Shareholders	% Of Shareholdings	No. Of Holdings	% Of Shareholdings
1-10,000	519,007	91.74	510,050,716	1.29
10,001-50,000	33,024	5.84	706,004,798	1.78
50,001-100,000	5,985	1.06	448,123,523	1.13
100,001-500,000	5,934	1.05	1,189,156,403	3.00
500,001-1,000,000	839	0.15	637,107,659	1.61
1,000,001-5,000,000	702	0.12	1,413,170,708	3.57
5,000,001-10,000,000	88	0.02	644,793,656	1.63
10,000,001-50,000,000	114	0.02	2,393,954,884	6.04
50,000,001-100,000,000	20	0.00	1,485,696,104	3.75
100,000,001-500,000,000	30	0.01	5,831,107,994	14.72
500,000,001-1,000,000,000	10	0.00	7,207,403,828	18.20
1,000,000,001-39,605,421,562	11	0.00	17,138,851,289	43.27
TOTAL	565,764	100	39,605,421,562	100

The shareholding analysis by shareholders of the Company are stated below:

31 DECEMBER 2025

Share Holder Category	No. of Shareholders	% of Shareholdings	No. of Holdings	% of Shareholdings
Domestic shareholders	589,787	99.93	41,788,434,515	97.70
Foreign shareholders	402	0.07	983,271,759	2.30
Total	590,189	100	42,771,706,274	100

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

31 DECEMBER 2024

Share Holder Category	No. of Shareholders	% of Shareholdings	No. of Holdings	% of Shareholdings
Domestic shareholders	565,358	99.93	38,621,939,674	97.52
Foreign shareholders	406	0.07	983,481,888	2.48
Total	565,764	100	39,605,421,562	100

h. Substantial interest in Shares

The Company's share capital is N21,385,853,137 divided into 42,771,706,274 ordinary shares of 50 kobo each which are issued and fully paid. In the current year, the Holding Company issued additional 3,166,284,712 (three billion, one hundred sixty-six million, two hundred eighty-four thousand, seven hundred twelve) units of ordinary shares of 50kobo each. The additional shares did change the Holding Company's shareholding structure. However, according to the register of members, no shareholder other than the under-mentioned held more than 5% of the share capital of the Company as at 31 December 2025:

Shareholder	31 December 2025		31 December 2024	
	Number of shares	% Holding	Number of shares	% Holding
1. OLATUNDE INTERNATIONAL LIMITED	3,427,842,742	8.01	3,313,661,331	8.37

In 2024, Shoreline Group Holding Company and FCMB Nominees Capita IRG Trustees Ltd had 2,050,950,642 and 2,041,172,788 shares with 5.18% and 5.15% holdings, respectively. With the increment in outstanding shares, their shareholdings has dropped below 5%.

i. Donations and Charitable Gifts

The Group made contributions to charitable and non-political organisations amounting to N771,068,290 (31 December 2024: N495,244,897) during the year.

31 DECEMBER 2025

REQUESTING/BENEFICIARY ORGANISATION	DONATION DESCRIPTIONS	AMOUNT (N)
Hensard University Trust foundation	Donation to Hensard University trust foundation	100,000,000
Lagos State Security Trust Fund (LSSTF)	Finance Support To Lagos State Security Trust Fund	100,000,000
Tulsi Chanrai Foundation	Donation Towards Priceless Gift of Sight	52,200,000
Central Bank Of Nigeria (CBN)	Sponsorship of The 18th Annual Banking and Finance Conference	48,000,000
Rural Electrification Agency (REA)	Sponsorship For Nigeria Renewable Energy Innovation Forum (NREIF)	40,000,000
Youth Empowerment Foundation	Support for 2025 Edition of Youth Empowerment for The Future (E4F)	25,463,290
School Of Art	Support For School of Art Animation Hub Empowering Young People	18,500,000
Fade Agency Limited	Sponsorship of Skin Summit 2025 Edition	10,000,000
Federal Nigeria Society for the Blind	Support for the Vocational Training Centre for the Blind, Oshodi, Lagos	8,000,000
Lions Clubs International District, Nigeria	Sponsorship for The Lions Club Presentation of The District – 2025 Edition	6,200,000
Made In Africa Brand Ambassador (MABA)	Sponsorship of Made In Africa Brands Ambassador (MABA)	5,000,000
Nigerian Breweries Plc	Sponsorship of The 11th Maltina Teacher of The Year Competition	5,000,000
Tender Hearts Foundation	Support for Thrift Cycle Program for Market Women	5,000,000
The CIO Club	Sponsorship of CIO & C-Suite 2025 Africa's Digital Agenda Project	5,000,000
Lagos Urban Development Initiative	Support For Phase II of The Green Lagos Project	4,000,000
Nigeria Conservation Foundation	Sponsorship of World Environmental Day Event	3,200,000
Akinpelu Joseph Akinwale (For The Blind People)	Purchase of White Cane Durable 4 Folds For The Blinds	3,030,000
Poshfield Estates Limited	Platinum Sponsorship For The Game Changer Summit '25 (Investment Forum)	2,800,000
Africa Business Ventures And Investments Int'l Nig Ltd	The Africa Infrastructure, Climate Change and Green Investment Summits	2,500,000
Brian Reuben Advisory	Sponsorship of Global Strategy Nexus 2025 In Nigeria	2,500,000
Olujimi Olugbesoye Olunife	Donation To Launch 100 Copies of Mrs Olujimi Olugbesoye Olunife Books	2,500,000

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

REQUESTING/BENEFICIARY ORGANISATION	DONATION DESCRIPTIONS	AMOUNT (N)
ICAN Lagos and District Society	Donation To ICAN To Lagos District Society	2,000,000
Lorien Works Limited	Sponsorship of The Agriconnect Summit 2025	2,000,000
Avila Naturalle	Sponsorship for Avila Naturalle Distributors Summit and Excellence Awards	1,500,000
Bethesda Child Support Foundation	Donation To Support The Less Priviledged Students	1,390,000
As+A Communications	Support For The 1st Ogun State Public Relations Forum Awards & Exhibition	1,000,000
CFA Society Nigeria	Sponsorship of Sport Kit, for Walk for Sustainability (Financial Inclusion)	1,000,000
Consumer Awareness & Financial Enlightenment Initiative	Support For Consumer Awareness & Fin. Enlightenment Initiative 2025 Edition	1,000,000
IBB Presidential Library	Support For Fund Raising For IBB Presidential Library	1,000,000
International Real Estate Federation FIABCI	Sponsorship In Support of World Real Estate Congress – 2025 Edition	1,000,000
National Institute Of Marketing Of Nigeria	Sponsorship of Annual Marketing Conference (AMC) And AGM	1,000,000
Tender Hearts Foundation	Support for The 69th Session of the UNC On the Status of Women Event	1,000,000
Women Achievers Africa	Sponsorship of 2025 Conference and Awards For Women Achievers Africa	1,000,000
Konora Global Limited	Sponsorship of Dialogue & Engagement On Entrepreneurship Development	80,000,000
X3M Marketing Ideas Limited	Sponsorship of Lagos annual food festival and culture 2025	66,450,000
Delta State Security trust Fund (DSSTF)	Contribution to Delta State Security trust Fund (DSSTF) for the year 2025	50,000,000
Bethesda Child Support Foundation (Education)	Sponsorship of 50 out-of-school children education school fees	10,000,000
Aiye Ko-Otooo	Sponsorship of a creative writing workshop skill for Nigerian Youth	10,000,000
Hearts Foundation	Support for Foodbank Initiative Themes: "A face that cares"	10,000,000
Nasarawa State	Support for the newly completed Nasarawa State office complex	10,000,000
Slum Art Foundation	Educational Items for 'Out of School Children' In Slum Areas of Lagos State	6,800,000
Institute Of Chartered Accountants Of Nigeria (ICAN)	Support for annual ICAN conference, 2025 edition	5,000,000
Women in Successful Career (WISCAR)	Sponsorship of WINSCAR 2025 leadership and mentoring conference	5,000,000
Society for Quality in Healthcare in Nigeria (SQHN)	Sponsorship of Memorial Lecture and 2025 Scientific Conference	5,000,000
Cogniskills Limited	Academic, therapeutic and support services to children with special educational needs	5,000,000
Nigerian British Chamber of Commerce (NBCC)	Support for The Nigerian British Chamber of Commerce	5,000,000
The Society for Women Accountants of Nigeria (SOWAN)	Donation to the Society for Women Accountants of Nigeria	5,000,000
AfriEdutech City Limited	Support for Afri Edu City - Future Innovators Challenge 2025 Edition	5,000,000
Financial Markets Dealers Association (FMDA)	Co-Sponsorship of 2025 FMDA Financial Market annual Conference	5,000,000
EverCare Hospital Lekki	Sponsorship of 2025 Evercare Health Conference	3,000,000
Ijebu Muslem College	Sponsorship of scholarship trust fund for five(5) brilliant	2,525,000
Information System Audits And Control Association (ISACA)	Support for ISACA 2025 annual conference, Lagos chapter	2,500,000
Association of Asset Custodians of Nigeria (AACN)	Sponsorship of annual investors conference for the year 2025	2,500,000
Femi Ojo (Youth Empowerment Foundation, [YEF])	Sponsorship of YEF 2025 Program and Business Development Training	2,400,000
Ago Iwoye Secondary School Old Student Association	Sponsorship of Ago Iwoye secondary school old students 70th Anniversary	2,000,000
National Institute of Marketing of Nigeria (NIMN)	Sponsorship of the Investiture Ceremony of NIMN President	2,000,000
SEO Africa	Nigeria Career Programme Bronze Participation	2,000,000
WenA Support Initiatives	Sponsorship payment for WenA UNITY BAZAAR	1,500,000
Federal Nigeria Society for the Blind	Sponsorship of the Blind's 70th anniversary and fundraising dinner	1,110,000
Women in Management and Business (WIMBIZ)	Sponsorship of the 24th Annual WIMBIZ FY 2025 Conference	1,000,000
Ejigbo Skills Acquisition	Sponsorship of Skill Acquisition Activity	500,000
Army Children School	Sponsorship of Sporting Activity	450,000
St Stephen's School	Sponsorship of Sporting Activity	300,000
Ojodu Grammar School	Sponsorship of Sporting Activity	250,000
TOTAL		771,068,290

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

j. Events after the Reporting Period

Subsequent to the reporting date, the Group successfully raised an additional N162.91 billion in capital. The capital verification process was concluded by the Central Bank of Nigeria (CBN), and approval was granted on 19 February 2026.

The Group, together with its commercial banking subsidiary, has ensured compliance with the regulatory capitalisation deadline of 31 March 2026.

Also subsequent to the reporting date, the Group obtained regulatory approvals to dispose 10% of its 91.71% stake in the pension subsidiary (FCMB Pensions Managers Limited) from the Nigeria Pension Commission (PENCOM) and the Central Bank of Nigeria (CBN).

k. Human Resources

Employment of Disabled Persons

The Group operates a non-discriminatory policy on recruitment. Applications by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of

members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical with those of other employees. As at the reporting date, the Group has four persons on its staff list with physical disabilities (31 December 2024: 4).

Health, Safety and Welfare at Work

The Group will continue to accord great priority to staff health and welfare. The Group retains top-class private hospitals where medical facilities are provided for staff and their immediate families at the Group's expense. A contributory Pension Fund Scheme in line with the Pension Reform Act, 2014, exists for employees of the Group.

Diversity in Employment

The number and percentage of men and women employed during the financial year ended 31 December 2025 and the comparative period vis-a-vis total workforce is as follows:

31 DEC 2025 - GROUP

	Number			%	
	Male	Female	Total	Male	Female
Employees	2,706	2,226	4,932	55%	45%

31 DEC 2025 - COMPANY

	Number			%	
	Male	Female	Total	Male	Female
Employees	19	14	33	58%	42%

31 DEC 2024 - GROUP

	Number			%	
	Male	Female	Total	Male	Female
Employees	2,199	1,597	3,796	58%	42%

31 DEC 2024 - COMPANY

	Number			%	
	Male	Female	Total	Male	Female
Employees	16	9	25	64%	36%

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

Gender analysis of Top Management is as follows:

31 DEC 2025 - GROUP

	Number			%	
	Male	Female	Total	Male	Female
Assistant General Manager (AGM)	34	10	44	41%	12%
Deputy General Manager (DGM)	22	7	29	26%	8%
General Manager (GM)	10	1	11	12%	1%
Total	66	18	84	79%	21%

31 DEC 2025 - COMPANY

	Number			%	
	Male	Female	Total	Male	Female
Assistant General Manager (AGM)	1	-	1	33%	0%
Deputy General Manager (DGM)	1	-	1	33%	0%
General Manager (GM)	-	1	1	0%	34%
Total	2	1	3	66%	34%

31 DEC 2024 - GROUP

	Number			%	
	Male	Female	Total	Male	Female
Assistant General Manager (AGM)	39	12	51	46%	14%
Deputy General Manager (DGM)	21	2	23	24%	2%
General Manager (GM)	9	3	12	10%	3%
Total	69	17	86	80%	20%

31 DEC 2024 - COMPANY

	Number			%	
	Male	Female	Total	Male	Female
Assistant General Manager (AGM)	1	-	1	50%	0%
Deputy General Manager (DGM)	1	-	1	50%	0%
General Manager (GM)	-	-	-	0%	0%
Total	2	-	2	100%	0%

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

Gender analysis of the Board across the Group is as follows:

31 DEC 2025 - GROUP

	Number			%	
	Male	Female	Total	Male	Female
Executive Director (ED)	6	2	8	14%	5%
Group Managing Director (GMD)	1	-	1	2%	0%
Managing Directors - Subsidiaries	6	2	8	14%	5%
Non - Executive Directors	15	10	25	36%	24%
Total	28	14	42	67%	33%

31 DEC 2025 - COMPANY

	Number			%	
	Male	Female	Total	Male	Female
Executive Director (ED)	2	-	2	20%	0%
Group Managing Director (GMD)	1	-	1	10%	0%
Non - Executive Directors	4	3	7	40%	30%
Total	7	3	10	70%	30%

31 DEC 2024 - GROUP

	Number			%	
	Male	Female	Total	Male	Female
Executive Director (ED)	10	1	11	17%	2%
Group Managing Director (GMD)	1	-	1	2%	0%
Managing Directors - Subsidiaries	3	1	4	5%	2%
Non - Executive Directors	27	17	44	45%	28%
Total	41	19	60	68%	32%

31 DEC 2024 - COMPANY

	Number			%	
	Male	Female	Total	Male	Female
Executive Director (ED)	2	-	2	20%	0%
Group Managing Director (GMD)	1	-	1	10%	0%
Non - Executive Directors	4	3	7	40%	30%
Total	7	3	10	70%	30%

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

I. Employee Involvement and Training

The Group places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and the various factors affecting the performance of the Group. This is achieved through regular meetings between management and staff of the Group.

The Group has in-house training facilities complemented with additional facilities from educational institutions (local and offshore) for the training of its employees.

m. Customer Complaints

The Group had pending complaints of 2,046 at the beginning of the year and received additional 692,600 (31 December 2024: 557,180) during the year ended 31 December 2025, of which 694,628 (31 December 2024: 555,659) complaints were resolved (inclusive of pending complaints brought forward) and 18 (31 December 2024: 2046) complaints remained unresolved and pending with the Group as at the end of the year. The total amount resolved was N11.37billion (31 December 2024: N7.93billion) while the total disputed amount in cases which remained unresolved stood at N693,510 (31 December 2024: N82.24million). There was no unresolved complaint referred to the Central Bank of Nigeria for intervention.

The Directors are of the opinion that these complaints will be resolved without adverse consequences for the Banking subsidiary. No provisions are therefore deemed necessary for these claims.

n. Credit Ratings

The revised prudential guidelines, as released by the CBN, requires that banks should have themselves credit rated by a credit rating agency on a regular basis. It is also required that the credit rating be updated on a continuous basis from period to period.

Furthermore, it is required that banks should disclose this credit rating prominently in their published annual reports periodically. During the period under review, First City Monument Bank was assigned the credit ratings below by the following rating agencies:

RATING AGENCY	31 DECEMBER 2025	31 DECEMBER 2024
Fitch Ratings	Long-Term = B- Short-Term = B Outlook = Stable	Long-Term = B- Short-Term = B Outlook = Stable
Standard & Poor (S&P)	Long-Term = B- Short-Term = B Outlook = Stable	Long-Term = B- Short-Term = B Outlook = Stable
Global Credit Rating Co (GCR)	Long-Term = BBB+ (NG) Short-Term = A3(NG) Outlook = Rating Watch Negative	Long-Term = BBB+ (NG) Short-Term = A3(NG) Outlook = Rating Watch Negative
Agusto & Co.	Entity Rating = A- Outlook = Stable	

DESCRIPTION	NUMBER		AMOUNT CLAIMED (N'000)		AMOUNT REFUNDED (N'000)	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Pending complaints brought forward	2,046	525	82,241	11,679	-	-
Received complaints	692,600	557,180	11,284,789	7,996,391	-	-
Total complaints	694,646	557,705	11,367,030	8,008,070	-	-
Resolved complaints	694,628	555,659	11,366,337	7,925,829	7,986,204	7,058,092
Unresolved complaints escalated to CBN for intervention	-	3	-	-	-	-
Unresolved complaints pending with the bank Carry forward	18	2,046	694	82,241	-	-

Directors' Report

FOR THE YEAR ENDED 31 DECEMBER 2025

o. Coupon interest payment for Additional Tier 1 Capital

The coupon interest payment for Additional Tier 1 Capital holders are due and payable semi-annually on these dates 16 February, 16 August, 24 April and 24 October of each year.

p. Service and Related Party Contracts

To efficiently synergize output, avoid unnecessary duplication of functions, and harmonize resources for optimum performance within the Group, and in accordance with the Central Bank of Nigeria's Guidelines for Shared Services Arrangement for Banks and Other Financial Institutions issued in May 2021, the Company has established Shared Services Agreements with all its related entities. These entities include First City Monument Bank Limited, FCMB Capital Markets, CSL Stockbrokers Limited, FCMB Asset Management Limited, FCMB Trustees Limited, FCMB Micro Finance Bank Limited, and Credit Direct Finance Company Limited. The Shared Services Agreements have been approved by the Boards of each related entities.

q. Directors' Remuneration

The Company ensures that remuneration paid to its Directors complies with the provisions of the guidance issued by its regulators.

In compliance with the Nigerian Code of corporate governance, the Company makes disclosure of the remuneration paid to its directors as follows:

Type of packaged fixed	Description	Timing
Basic Salary	Part of gross salary package for Executive Directors only. Reflects the banking industry competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid monthly during the financial year.
Other Allowances	Part of gross salary package for Executive Directors only. Reflects the banking industry competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid at periodic intervals during the financial year.
Productivity bonus	Paid to executive directors only and tied to performance of the line report. It is also a function of the extent to which the Company's objectives have been met for the financial year.	Paid annually in arrears.
Director fees	Paid quarterly at the beginning of a new quarter to Non-Executive Directors only.	Paid quarterly in advance.
Sitting allowance	Allowances paid to Non-Executive Directors only, for attending Board and Board Committee Meetings.	Paid after each Meeting.

r. Auditors

Messers Deloitte & Touche Nigeria, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with section 357 (2) of the Companies and Allied Matters Act of Nigeria therefore, the auditor will be re-appointed at the next annual general meeting of the company without any resolution being passed.

BY ORDER OF THE BOARD



Mrs. Olufunmilayo Adedibu

Company Secretary

44 Marina

Lagos State

Nigeria

FRC/2014/PRO/NBA/002/00000005887

27 February 2026.

Statement of Directors' Responsibilities for the Preparation & Approval of the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors of FCMB Group Plc accept responsibility for the preparation of the financial statements that give a true and fair view of the financial position of the Group as at 31 December 2025, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting Standards and in the manner required by the Companies and Allied Matters Act of Nigeria, Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRS Accounting Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's financial position and financial performance.

Going Concern:

The Directors have made an assessment of the Group's ability to continue as a going concern and have no reason to believe the Group will not remain a going concern in the year ahead.

The financial statements of the group for the year ended 31 December 2025 were approved by the directors on 27 February 2026.

Certification of financial statements

In accordance with section 405 of the Companies and Allied Act the Chief Executive Officer and the Chief Financial Officer certify that the financial statements have been reviewed and based on our knowledge the:

- (i) audited financial statements do not contain any untrue statement of material fact or omit to state a material fact,

which would make the statements misleading, in the light of the circumstances under which such statement was made, and

- (ii) audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the company as of and for, the periods covered by the audited financial statements;
- (b) We state that management and directors:
 - (i) are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the bank and its subsidiaries is made known to the officer by other officers of the group, particularly during the period in which the audited financial statement report is being prepared,
 - (ii) has evaluated the effectiveness of the internal controls within 90 days prior to the date of its audited financial statements, and
 - (iii) certifies that the group's internal controls are effective as of that date;
- (c) We have disclosed
 - (i) all significant deficiencies in the design or operation of internal controls which could adversely affect the company's ability to record, process, summarise and report financial data, and has identified for the company's auditors any material weaknesses in internal controls, and
 - (ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the group's internal control; and
- (d) as indicated in the report, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Oladipupo Jadesimi
Chairman

FRC/2014/PRO/DIR/003/00000006637
27 February 2026



Ladi Balogun
Group Chief Executive

FRC/2013/PRO/DIR/003/00000001460
27 February 2026

Statement of Corporate Responsibility for the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

In compliance with section 405 of Companies and Allied Matters Act (CAMA) 2020, we have reviewed the audited financial statements of the Group for the year ended 31 December 2025 and based on our knowledge confirm as follows:

1. The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading;
2. The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group as of and for the year ended 31 December 2025;
3. The Group's internal controls have been designed to ensure that all material information relating to the Company and its subsidiaries is received and provided to the Auditors in the course of the audit;
4. The Group's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2025;
5. That we have disclosed to the Company's Auditors and the Audit committee the following information:
 - (a). there are no significant deficiencies in the design or operation of the group's internal controls which could adversely affect the group's ability to record, process, summarize and report financial data, and have discussed with auditors any weaknesses in internal controls observed in the cause of the Audit.
 - (b). there is no fraud involving management or other employees which could have any significant role in the Group's internal control.
 - (6). There are no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

Signed:

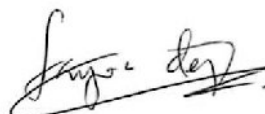


Ladi Balogun

Group Chief Executive

FRC/2013/PRO/DIR/003/00000001460

27 February 2026.



Deji Fayose

Chief Financial Officer

FRC/2021/PRO/ICAN/001/00000025061

27 February 2026.

Statutory Audit Committee Report

FOR THE YEAR ENDED 31 DECEMBER 2025

In compliance with section 404(7) of the Companies and Allied Matters Act 2020 and the Central Bank of Nigeria Code of Corporate Governance, we have reviewed the Audit Report for the year ended 31 December 2025 and hereby state as follows:

1. The scope and planning of the audit were adequate in our opinion;
2. The account and reporting policies of the Group conformed with the statutory requirements and agreed ethical practices;
3. The internal control system was constantly and effectively monitored;
4. The whistle blowing channel run by an external and independent third party was found adequate;
5. The external auditor's management controls report received satisfactory response from Management; and
6. The gross value of related party loans as at 31 December 2025 was N48.08billion (31 December 2024: N806.39million) representing credit facilities to companies in which certain Directors have interests and key management personnel and also these related party loans are performing.



Evangelist Akinola Soares

Chairman, Statutory Audit Committee

FRC/2013/PRO/ANAN/004/00000004356

27 February 2026.

The Audit Committee comprises the following Non-Executive Directors and Shareholders' representatives:

Evangelist Akinola Soares

Chairman/Shareholders' representative

Alhaji S B Daranijo

Shareholders' representative

Mr. Hakeem Batula

Shareholders' representative

Mrs. Olapeju Eniola Sofowora

Non-Executive Director

Professor Oluwatoyin Ashiru

Non-Executive Director

Aderemi Adeyemi (FRC/2013/ICAN/00000001405) of the Group Internal Audit unit, acts as secretary to the Committee.

Management's Annual Assessment of, and Report on, FCMB Group Plc's Internal Control over Financial Reporting

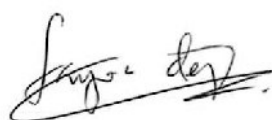
FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the provisions of Section 1.3 of the SEC Guidance on Implementation of Sections 88 of the Investments and Securities Act, 2025, we hereby make the following statements regarding the internal controls of FCMB Group Plc for the year ended 31 December 2025:

- i FCMB Group Plc's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii FCMB Group Plc's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii FCMB Group Plc's management has assessed that the entity's ICFR as at the end of 31 December 2025 is effective.
- iv FCMB Group Plc's external auditor, Messrs Deloitte that audited the financial statements included in the report has issued an attestation report on management's assessment of the entity's internal control over financial reporting. The attestation report of Messrs Deloitte that audited its financial statements will be filed as part of FCMB Group Plc's annual report.

Signed on behalf of the Directors by:


Date: 27 February 2026



Deji Fayose

Chief Financial Officer

FRC/2021/PRO/ICAN/001/00000025061



Ladi Balogun

Group Chief Executive

FRC/2013/PRO/DIR/003/00000001460

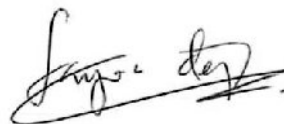
Certification of Management's Assessment on Internal Control over Financial Reporting

FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the provisions of Section 1.3 of the SEC Guidance on Implementation of Sections 88 of the Investments and Securities Act, 2025, I hereby make the following statements regarding the internal controls of FCMB Group Plc for the year ended 31 December 2025.

I, Deji Fayose, certify that:

- (a) I have reviewed this Management's assessment on internal control over financial reporting of FCMB Group Plc;
- (b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the year covered in this report.
- (c) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.
- (d) The entity's other certifying officer and I:
 - i are responsible for establishing and maintaining internal controls;
 - ii have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - iii have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements to external purposes in accordance with generally accepted accounting principles;
 - iv have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- (e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and audit committee of the entity's board of directors (or persons performing the equivalent functions):
 - i All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
 - ii Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.
- (f) The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Deji Fayose
 Chief Financial Officer
 FRC/2021/PRO/ICAN/001/00000025061
 27 February 2026

Certification of Management's Assessment on Internal Control over Financial Reporting

FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the provisions of Section 1.3 of the SEC Guidance on Implementation of Sections 88 of the Investments and Securities Act, 2025, I hereby make the following statements regarding the internal controls of FCMB Group Plc for the year ended 31 December 2025.

I, Ladi Balogun, certify that:

- (a) I have reviewed this Management's assessment on internal control over financial reporting of FCMB Group Plc;
- (b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered in this report.
- (c) Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.
- (d) The entity's other certifying officer and I:
 - i are responsible for establishing and maintaining internal controls;
 - ii have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and its consolidated subsidiaries is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - iii have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements to external purposes in accordance with generally accepted accounting principles;
 - iv have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the year covered by this report based on such evaluation.
- (e) The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and audit committee of the entity's board of directors (or persons performing the equivalent functions):
 - i All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
 - ii Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.
- (f) The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.



Ladi Balogun
Group Chief Executive
FRC/2013/PRO/DIR/003/00000001460
27 February 2026



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INDEPENDENT AUDITOR'S REPORT To the Shareholders of FCMB Group Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of **FCMB Group Plc** and its subsidiaries (the Group and Company) set out on pages 81 to 252, which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, the notes to the consolidated and separate financial statements, including a summary of material accounting policy information.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of **FCMB Group Plc** and its subsidiaries as at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, Banks and Other Financial Institutions Act 2020 and Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements section of our report. We are independent of the Group and Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code), as applicable to audits of financial statements of public interest entities, and other independence requirements applicable to performing audits of financial statements of public interest entities in Nigeria. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of consolidated and separate Financial Statements in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



A full list of partners and directors is available on request
Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

Deloitte.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of each key audit matter in accordance with ISA 701.

Key audit matter	How our audit addressed the key audit matter
<p>Impairment of loans and advances to customers</p> <p>Loans and advances make up a significant portion of the total assets of the Group. At 31 December 2025, gross loans and advances was N2.475 trillion against which total loan impairment of N109.78 billion was recorded, thus leaving a net loan balance of N2.365 trillion which represents 31.00% of the total assets as at the reporting date.</p> <p>The basis of the impairments is summarised in the accounting policies to the financial statements (note 3KVII – impairments).</p> <p>In accordance with the provisions of <i>IFRS 9 Financial Instruments</i>, the Directors have established the Group’s loan loss impairment methodology using the expected credit loss model.</p> <p>The Directors exercise significant judgement when determining both when and how much to record as loan impairment. This is due to the number of judgements adopted in determining the assumptions and inputs that go into the determination of the impairment on loans and advances to customers. Some of these include:</p> <ul style="list-style-type: none"> i. Estimate of probability of default ii. Estimate of loss given default iii. Segmentation iv. Exposure at default v. Credit classification and staging. vi. Estimates of projected cash flows vii. Determination of effective interest rates viii. Forward looking variables <p>Because of the significance of some of these assumptions, inputs and the size of loans and advances portfolio, the audit of loan impairment is considered a key audit matter.</p>	<p>We focused our testing of the impairment on loans and advances to customers on the key assumptions and inputs made by management and Directors. Specifically, with the support of our credit and technology specialists, our audit procedures included the following:</p> <ul style="list-style-type: none"> a. Through discussion and inspection, we established an understanding of the processes, systems, models, data, and assumptions used, and the governance of all these during the origination and collection of loans and advances, and the subsequent impairment thereof as required by IFRS 9 when there is a Significant Increase in Credit Risk (SICR). b. We tested the design and operating effectiveness of the key controls around identification and determination of the impairment on each loan. These control processes included reviewing: <ul style="list-style-type: none"> • System-based and manual controls over the timely recognition of impaired loans and advances; • Controls over the impairment calculation with the model including data inputs. c. We adopted a risk-based approach to test a sample of loans and advances (including loans that had not been identified by management as potentially impaired) to form our own assessment as to whether impairment events had occurred and to assess whether there is significant increase in credit risk of the loans or objective evidence of default using set criteria. We challenged management’s judgement, and we increased the focus on loans that were not reported as being impaired in sectors that are currently experiencing difficult economic and market conditions.



	<p>d. As the Group currently uses a system-based impairment model, our Risk Advisory specialists were engaged to test some of the relevant IT controls, Interfaces between the core banking application and the ancillary application, and relevant automated controls.</p> <p>e. We involved our credit risk specialists who assessed whether the modelling assumptions (probability of Default (PD), Loss given default (LGD), Exposure at default (EAD), Segmentation, cure rate etc.) used by management were reasonable in light of the requirement of the applicable financial reporting standards, historical experience, economic climate, current operational processes as well as our own knowledge of practices used by other similar banks.</p> <p>Reviewed the reasonableness of the forward-looking assumptions applied into the impairment calculations. Challenged the multiple economic scenarios and probability weights applied in the model.</p> <p>Where we determined that a more appropriate assumption or input in impairment measurement could be made, we recalculated the impairment on that basis and compared the results in order to assess whether there was any indication of error or management bias.</p> <p>f. Disclosures in the financial statements were reviewed for reasonableness and compliance with the requirements of the standards.</p> <p>Based on our review, we concluded that the amount of loan impairment losses was comparable with historical performance, and prevailing economic conditions and that the estimated loan impairment losses determined was appropriate in the circumstances and the disclosure in the financial statements is in line with applicable accounting standards.</p>
<p>Valuation of goodwill</p>	
<p>Goodwill carrying value was N19.29 billion in the statement of financial position as at 31 December 2025.</p>	<p>We focused our testing of the impairment of goodwill on the key assumptions made by management.</p> <p>Our audit procedures included:</p>



In line with the requirements of the applicable accounting standard, IAS 36, *Impairment of Assets*, management conducts annual impairment tests to assess the recoverability of the carrying value of goodwill. This is performed using discounted cash flow models. As disclosed in note 31d, there are a number of key sensitive judgements adopted by management in determining the inputs into these models which include:

- Revenue growth
- Operating margins
- The discount rates applied to the projected future cash flows.

Accordingly, the impairment test of this asset is considered to be a key audit matter.

Management have developed a valuation model to enable a fair determination of the discounted cash flows for the significant Cash Generating Unit (CGU) to which the goodwill relates.

- Reviewed all relevant controls over the generation of the key input - financial forecasts that go into the valuation calculation.

- Engaged our internal specialists to assist with:

- Evaluating whether the model used by management to calculate the value in use of the individual Cash Generating Units complies with the requirements of IAS 36, *Impairment of Assets*.
- Validating the assumptions used to calculate the discount rates, projected cash flows and recalculating these rates.

Analysed the future projected cash flows used in the models to determine whether they are reasonable and supportable given the current macroeconomic climate and expected future performance of the Cash Generating Unit.

- Subjected the key assumptions to sensitivity analysis.
- Compared the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the accuracy of management's projections.
- Checked the mathematical accuracy of the calculations and all relevant inputs into the impairment assessment.

Based on the above audit procedures, we found that the assumptions used by management were comparable with historical performance and the expected future outlook and the discount rates used were appropriate and reasonable in these circumstances.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled “**FCMB Group Plc** Annual Financial Statements for the year ended 31 December 2025”, which includes the Corporate information, Board Evaluation Report, Directors' Report, Corporate Governance Report, Statement of Directors' Responsibilities, the Board Audit Committee's Report, the Statement of Corporate Responsibility, and Other National Disclosures required by the Financial Reporting Council of Nigeria which we obtained prior to the date of this report.

The other information does not include the consolidated and separate financial statements and our auditor's report thereon.



Our opinion on the consolidated and separate financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the requirements of the Companies and Allied Matters Act 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2023 and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and / or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over ride of internal control.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and / or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

In accordance with the Fifth Schedule of Companies and Allied Matters Act we expressly state that:

- i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii) The Group has kept proper books of account, so far as appears from our examination of those books.
- iii) The Group and Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.
- iv) In accordance with Circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider related credits are as disclosed in Note 45(f).
- v) During the year, the Group contravened certain sections of the Banks and Other Financial Institutions Act 2020, CBN and SEC Circulars/Guidelines. Details of the contravention and the related penalties are as disclosed in note 48 to the financial statements.

In accordance with the requirements of the Financial Reporting Council, we performed a limited assurance engagement. We reported on management's assessment of the Entity's internal control over financial reporting as of 31 December, 2025. The work performed was done in accordance with FRC Guidance on assurance engagement report on Internal Control over Financial Reporting, and based on the procedures we have performed and the evidence obtained, we have issued an unmodified conclusion in our report dated 8 June 2026. That report is included on pages 45-47 of the financial statements.



Deloitte & Touche

Chartered Accountants
Lagos, Nigeria
08 June 2026

Engagement Partner: Hassan Lawal

FRC/2013/PRO/ICAN/004/00000001382





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Assurance Report of Independent Auditor

To the Shareholders of FCMB Group Plc

Assurance Report on management's assessment of controls over financial reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of FCMB Group Plc and its subsidiaries (the Group) as of 31 December, 2025, in accordance with the FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) (“the ICFR framework”), and the SEC Guidance on Implementation of Sections 88 of Investments and Securities Act 2025. FCMB Group Plc’s management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the accompanying Management’s Report on Internal Control Over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the Company and Group and our report dated 08 June 2026 expressed an unmodified opinion.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the Company and the Group did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on SEC Guidance on Implementation of Sections 88 of Investments and Securities Act 2025 on Internal Control over Financial Reporting.

Definition of internal control over financial reporting

Internal control over financial reporting is a process designed by, or under the supervision of, the entity’s principal executive and principal financial officers, or persons performing similar functions, and effected by the entity’s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that:

- I. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- II. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- III. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.



A full list of partners and directors is available on request

Associate of Deloitte Africa, a Member of Deloitte Touche Tohmatsu Limited

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Inherent limitations

Our procedures included the examination of historical evidence of the design and implementation of the Company's and the Group's system of internal control over financial reporting for the year ended 31 December 2025. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Directors' and Management's Responsibilities

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting.

Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the International Accounting Standards and the ICFR framework.

Section 7(2f) of the Financial Reporting Act 2011 (as amended) further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies the International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor's Responsibility and Approach

Our responsibility is to express a limited assurance opinion on the company's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the Company and Group did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the Company and Group established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.



Deloitte & Touche (FRC/2022/COY/091021)

Hassan Lawal (FRC/2013/PRO/ICAN/004/00000001382)
Lagos
Date: 08 June 2026



Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2025

In thousands of Naira	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Gross earnings		1,131,774,786	794,430,083	41,718,740	43,507,278
Interest and discount income	8	1,005,329,106	621,803,795	8,151,804	8,857,206
Interest expense	9	(499,422,106)	(396,503,592)	(1,265,968)	(928,052)
Net interest income		505,907,000	225,300,203	6,885,836	7,929,154
Fee and commission income	11	97,892,106	74,307,415	4,320,368	2,799,664
Fee and commission expense	11	(21,241,530)	(15,510,591)	(44,710)	(12,046)
Net fee and commission income		76,650,576	58,796,824	4,275,658	2,787,618
Net trading income	12	37,792,398	53,792,945	-	-
Net income from financial instruments mandatorily measured at FVTPL	13	-	-	4,873,040	(4,394,049)
Intra group revenue	14(c)	-	-	25,273,586	28,940,057
Other gains /(losses)	14(a)	(12,115,707)	39,555,332	(1,512,434)	7,110,602
		25,676,691	93,348,277	28,634,192	31,656,610
Other income	14(b)	2,876,883	4,970,596	612,376	193,798
Net impairment losses on financial instruments	10	(81,706,899)	(41,240,464)	(213,005)	(141,001)
Personnel expenses	15	(107,182,007)	(79,301,581)	(2,554,802)	(1,469,855)
Depreciation and amortisation expenses	16	(17,316,582)	(13,877,452)	(78,219)	(61,350)
General and administrative expenses	17	(135,343,145)	(87,546,593)	(4,702,018)	(2,059,034)
Other operating expenses	18	(68,649,851)	(48,331,228)	(879,190)	(660,710)
Result from operating activities		200,912,666	112,118,582	31,980,828	38,175,230
Share of post tax result of associate	30	1,187,730	(223,412)	-	-
Profit before minimum tax and income tax		202,100,396	111,895,170	31,980,828	38,175,230
Windfall tax	20	(7,573,475)	(17,671,442)	-	-
Minimum tax	20	(4,886,994)	(3,289,172)	-	-
Taxation charge	20	(12,368,994)	(17,597,088)	1,818,595	(7,772,543)
Profit for the period		177,270,933	73,337,468	33,799,423	30,402,687
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Unquoted equity investments at fair value through other comprehensive income:					
- Net change in fair value	24(k)	13,522,888	11,897,452	-	-
- Foreign currency translation differences	24(k)	(3,377,649)	28,647,566	-	-
		10,145,239	40,545,018	-	-

Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Items that may be subsequently reclassified to profit or loss:					
Debt investments at fair value through other comprehensive income:					
- Net change in fair value	24(k)	(16,440,230)	(41,240,323)	-	-
- Net impairment reclassified from profit or loss	24(e)	1,879,636	199,371	-	-
- Losses arising from derecognition of financial assets		(12,818,499)	(2,087,336)	-	-
		(27,379,093)	(43,128,288)	-	-
Foreign currency translation differences for foreign operations	24(l)	(5,992,876)	33,037,493	-	-
		(33,371,969)	(10,090,795)	-	-
Other comprehensive income for the period, net of tax		(23,226,730)	30,454,223	-	-
Total Comprehensive Income for the Year		154,044,203	103,791,691	33,799,423	30,402,687
Profit attributable to:					
Equity holders of the Company		169,548,148	65,724,641	26,333,057	22,993,015
Non-controlling interests		256,419	203,155	-	-
Additional Tier 1 (AT1) Capital holders		7,466,366	7,409,672	7,466,366	7,409,672
		177,270,933	73,337,468	33,799,423	30,402,687
Total comprehensive income attributable to:					
Equity holders of the Company		153,782,929	103,588,536	33,799,423	30,402,687
Non-controlling interests		261,274	203,155	-	-
		154,044,203	103,791,691	33,799,423	30,402,687
Basic earnings per share	19	3.99	2.38	0.62	0.83
Diluted earnings per share	19	3.99	2.38	0.62	0.83

The accompanying notes are an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Financial Position

AS AT YEAR ENDED 31 DECEMBER 2025

In thousands of Naira	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
ASSETS					
Cash and cash equivalents	21	1,298,920,721	795,387,019	3,014,998	14,371,980
Non-pledged trading assets	22(a)	439,720,734	319,109,270	-	-
Derivative assets held for risk management	23(a)	4,276,814	1,451,932	-	-
Investment securities	24	2,035,651,897	1,189,410,706	85,157,405	68,603,349
Assets pledged as collateral	25	104,900,576	401,703,741	-	-
Loans and advances to customers	26	2,365,686,373	2,357,303,173	-	-
Other assets	27	68,575,267	446,068,716	26,181,421	13,219,384
Restricted reserve deposits	28	1,198,149,879	1,441,465,091	-	-
Investment in subsidiaries	29	-	-	295,894,665	273,168,431
Investment in associates	30	2,131,287	1,738,796	-	-
Property and equipment, and right of use assets	31	63,360,382	55,994,468	428,784	235,762
Intangible assets	31	40,264,565	36,342,286	149,160	157,345
Deferred tax assets	32	9,350,284	8,190,721	-	-
Total assets		7,630,988,779	7,054,165,919	410,826,433	369,756,251
LIABILITIES					
Derivative liabilities held for risk management	23(b)	608,639	2,608,146	-	-
Deposits from banks	33	1,010,355,965	834,893,228	-	-
Deposits from customers	34	4,418,520,958	4,296,485,849	-	-
Retirement benefit obligations	35	112,623	52,502	-	-
Current income tax liabilities	20(ii)	36,960,723	38,227,831	4,526,751	5,382,217
Deferred tax liabilities	32	1,612,152	4,742,275	1,071,390	4,361,472
Other liabilities	36	509,241,955	411,411,204	21,311,258	3,760,605
Provision	37	11,818,408	13,022,246	-	-
On-lending facilities	38	318,192,503	204,803,631	-	-
Debt securities issued	39	121,583,156	199,075,949	-	-
Borrowings	40	365,570,331	359,862,027	5,708,894	5,320,125
Total liabilities		6,794,577,413	6,365,184,888	32,618,293	18,824,419
EQUITY					
Share capital	41(b)	21,385,853	19,802,710	21,385,853	19,802,710
Additional Tier 1 (AT1) Capital issued	41(d)	46,686,000	46,686,000	46,686,000	46,686,000
Share premium	42	267,574,383	246,431,292	267,574,383	246,431,292
Retained earnings	42	223,512,081	188,437,683	42,281,280	37,731,206
Other reserves	42	276,271,897	186,812,718	280,624	280,624
Total Equity attributable to owners of the Company		835,430,214	688,170,403	378,208,140	350,931,832
Non-controlling Interests	43	981,152	810,629	-	-
		836,411,366	688,981,031	378,208,140	350,931,832
Total liabilities and equity		7,630,988,779	7,054,165,919	410,826,433	369,756,251

The financial statements and the accompanying notes and material accounting policies were approved by the Board of Directors on 27 February 2026 and signed on its behalf by:


Oladipupo Jadesimi

Chairman

FRC/2014/PRO/DIR/003/00000006637


Ladi Balogun

Group Chief Executive

FRC/2013/PRO/DIR/003/00000001460


Deji Fayose

Chief Financial Officer

FRC/2021/PRO/ICAN/001/00000025061

The accompanying notes are an integral part of these consolidated and separate financial statements.

Consolidated and Separate Statements of Change In Equity

FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP	Share capital	Share premium	Additional Tier 1 (ATI) Capital ^(a)	Retained earnings	Statutory reserve ^(b)	AGSMEIS reserve ^(c)	Forbearance reserve	Translation reserve	Fair value reserve	Regulatory risk reserve	Non-controlling Interest	Total equity
In thousands of Naira												
Balance at 1 January 2025	19,802,710	246,431,292	46,686,000	188,437,682	39,526,632	3,543,333	1,960,712	71,514,805	47,266,612	23,000,624	810,628	688,981,031
Profit for the year	-	-	7,466,366	169,548,148	-	-	-	-	-	-	256,419	177,270,933
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	10,145,239	-	-	10,145,239
Debt investments at fair value through other comprehensive income	-	-	-	-	-	-	-	(27,383,950)	-	-	4,858	(27,379,093)
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	-	(5,992,876)	-	-	-	(5,992,876)
Total comprehensive income for the year	-	-	7,466,366	169,548,148	-	-	-	(5,992,876)	(17,238,711)	-	261,277	154,044,203
Transactions with equity holders, recorded directly in equity												
Issued shares capitalised	1,583,143	-	-	-	-	-	-	-	-	-	-	1,583,143
Share premium on issued shares	-	21,143,091	-	-	-	-	-	-	-	-	-	21,143,091
Issuing Cost of additional Tier 1 (ATI) Capital	-	-	-	-	-	-	-	-	-	-	-	-
Additional Tier 1 (ATI) Capital coupon paid	-	-	(7,466,366)	-	-	-	-	-	-	-	-	(7,466,366)
Transfer to statutory reserve	-	-	(24,940,092)	24,940,092	-	-	-	-	-	-	-	-
Transfer to AGSMEIS reserve	-	-	(7,730,674)	(7,730,674)	-	7,730,674	-	-	-	-	-	-
Transfer to regulatory risk reserve	-	-	(80,020,000)	(80,020,000)	-	-	-	-	-	80,020,000	-	-
Dividend paid	-	-	(21,782,982)	(21,782,982)	-	-	-	-	-	-	-	(21,782,982)
Transactions with minority shareholders recorded directly in equity												
- Dividend paid	-	-	-	-	-	-	-	-	-	-	(90,755)	(90,755)
- Adjustment to NCI	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to equity holders	1,583,143	21,143,091	(7,466,366)	(134,473,748)	24,940,092	7,730,674	-	-	-	80,020,000	(90,755)	(6,613,869)
Balance at 31 December 2025	21,385,853	267,574,383	46,686,000	223,512,081	64,466,724	11,274,007	1,960,712	65,521,929	30,027,901	103,020,624	981,151	836,411,366

The accompanying notes are an integral part of these consolidated and separate financial statements.

Notes:

- For further details refer to Note 41(d) N7.47 billion (2024: N7.41 billion) relates to the interest coupon expense incurred on the ATI issued because the underlying instrument is classified as equity, hence the interest coupon paid was through equity.
- Nigerian banking regulations require the Banking subsidiary to make an annual appropriation to a statutory reserve. An appropriation of 15% of profit after tax is made if the statutory reserve is greater than the paid-up share capital and 30% of profit after tax if the statutory reserve is less than the paid up share capital.
- The Central Bank of Nigeria (CBN) required that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. In the CBN Circular dated 5 April 2017, all DMBs are required to set aside and remit 5% of the annual profit after tax for equity investments.

Consolidated and Separate Statements of Change In Equity

FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP	Share capital	Share premium	Additional 1 (ATI) Capital ^(a)	Retained earnings	Statutory reserve ^(b)	AGSMEIS reserve ^(c)	Forbearance reserve	Translation reserve	Fair value reserve	Regulatory risk reserve	Non-controlling Interest	Total equity
<i>In thousands of Naira</i>												
Balance as at 1 January 2024	9,901,355	115,392,414	46,686,000	144,380,766	30,714,768	869,452	1,960,712	38,477,312	49,849,882	22,720,000	1,673,897	462,626,559
Profit for the period	-	-	7,409,672	65,724,640	-	-	-	-	-	-	203,155	73,337,468
Other comprehensive income												
Equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	40,545,018	-	-	40,545,018
Debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(43,128,288)	-	-	-	(43,128,288)
Foreign currency translation differences for foreign operations	-	-	-	-	-	-	-	33,037,493	-	-	-	33,037,493
Total comprehensive income for the period	-	-	7,409,672	65,724,640	-	-	-	33,037,493	(2,583,270)	-	203,156	103,791,691
Transfer between reserves												
Issued shares capitalised	9,901,355	-	-	-	-	-	-	-	-	-	-	9,901,355
Share premium on issued shares	-	131,038,878	-	-	-	-	-	-	-	-	-	131,038,878
Additional Tier 1 (ATI)	-	-	(7,409,672)	-	-	-	-	-	-	-	-	(7,409,672)
Capital coupon paid	-	-	-	(8,811,864)	8,811,864	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	(2,673,881)	-	2,673,881	-	-	-	-	-	-
Transfer to AGSMEIS reserve	-	-	-	(280,624)	-	-	-	-	-	280,624	-	-
Transfer to regulatory risk reserve	-	-	-	(9,901,355)	-	-	-	-	-	-	-	(9,901,355)
Transfer to forbearance reserve	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with minority shareholders recorded directly in equity												
Dividend paid	-	-	-	-	-	-	-	-	-	-	(103,142)	(103,142)
Adjustment to NCI	-	-	-	-	-	-	-	-	-	-	(963,283)	(963,283)
Balance at 31 December 2024	9,901,355	131,038,878	(7,409,672)	(21,667,724)	8,811,864	2,673,881	-	-	47,266,612	23,000,624	810,628	688,981,031
Balance at 31 December 2024	19,802,710	246,431,292	46,686,000	188,437,683	39,526,632	3,543,333	1,960,712	71,514,805	47,266,612	23,000,624	810,628	688,981,031

The accompanying notes are an integral part of these consolidated and separate financial statements.

Notes:

- For further details refer to Note 41(d) N7.47billion (2024: N7.41billion) relates to the interest coupon expense incurred on the ATI issued because the underlying instrument is classified as equity, hence the interest coupon paid was through equity.
- Nigerian banking regulations require the Banking subsidiary to make an annual appropriation to a statutory reserve. An appropriation of 15% of profit after tax is made if the statutory reserve is greater than the paid-up share capital and 30% of profit after tax if the statutory reserve is less than the paid up share capital.
- The Central Bank of Nigeria (CBN) required that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. In the CBN Circular dated 5 April 2017, all DMBs are required to set aside and remit 5% of the annual profit after tax for equity investments.

Consolidated and Separate Statements of Change In Equity

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY	Share capital	Share premium	Additional 1 (ATI) Capital ^(a)	Retained earnings	Statutory reserve ^(b)	AGSMES reserve ^(c)	Forbearance reserve	Translation reserve	Fair value reserve	Regulatory risk reserve	Non-controlling interest	Total equity
<i>In thousands of Naira</i>												
Balance at 1 January 2025	19,802,710	246,431,292	46,686,000	37,751,207	-	-	-	-	-	280,625	-	350,931,832
Profit for the period	-	-	7,466,366	26,333,057	-	-	-	-	-	-	-	33,799,423
Other comprehensive income												
Equity investments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Debt investments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	7,466,366	26,333,057	-	-	-	-	-	-	-	33,799,423
Transactions with equity holders, recorded directly in equity												
Issued shares capitalised	1,583,143	-	-	-	-	-	-	-	-	-	-	1,583,143
Share premium on issued shares	-	21,143,091	-	-	-	-	-	-	-	-	-	21,143,091
Additional Tier 1 (ATI) Capital coupon paid	-	-	(7,466,366)	-	-	-	-	-	-	-	-	(7,466,366)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(21,782,982)	-	-	-	-	-	-	-	(21,782,982)
Total contributions by and distributions to equity holders	1,583,143	21,143,091	(7,466,366)	(21,782,982)	-	-	-	-	-	-	-	(6,523,114)
Balance at 31 December 2025	21,385,853	267,574,383	46,686,000	42,282,279	-	-	-	-	-	280,625	-	378,208,140

The accompanying notes are an integral part of these consolidated and separate financial statements.

Notes:

- For further details refer to Note 41(d) N7.47billion (2024: N7.41billion) relates to the interest coupon expense incurred on the ATI issued because the underlying instrument is classified as equity, hence the interest coupon paid was through equity.
- Nigerian banking regulations require the Banking subsidiary to make an annual appropriation to a statutory reserve. An appropriation of 15% of profit after tax is made if the statutory reserve is greater than the paid-up share capital and 30% of profit after tax if the statutory reserve is less than the paid up share capital.
- The Central Bank of Nigeria (CBN) required that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. In the CBN Circular dated 5 April 2017, all DMBs are required to set aside and remit 5% of the annual profit after tax for equity investments.

Consolidated and Separate Statements of Change In Equity

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY	Share capital	Share premium	Additional 1 (ATT) Capital ^(iv)	Retained earnings	Statutory reserve(v)	AGSMEIS reserve(c)	Forbearance reserve	Translation reserve	Fair value reserve	Regulatory risk reserve	Non-controlling Interest	Total equity
<i>In thousands of Naira</i>												
Balance as at 1 January 2024	9,901,355	115,392,414	46,686,000	24,920,169	-	-	-	-	-	-	-	196,899,938
Profit for the period	-	-	7,409,672	22,993,015	-	-	-	-	-	-	-	30,402,687
Other comprehensive income												
Equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	7,409,672	22,993,015	-	-	-	-	-	-	-	30,402,687
Transfer between reserves												
Issued shares capitalised	9,901,355	-	-	-	-	-	-	-	-	-	-	9,901,355
Share premium on issued shares	-	131,038,878	-	-	-	-	-	-	-	-	-	131,038,878
Additional Tier 1 (ATT) Capital coupon paid	-	-	(7,409,672)	-	-	-	-	-	-	-	-	(7,409,672)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to AGSMEIS reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to regulatory risk reserve	-	-	-	(280,625)	-	-	-	-	-	280,625	-	-
Transfer to forbearance reserve	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	(9,901,355)	-	-	-	-	-	-	-	(9,901,355)
Balance at 31 December 2024	9,901,355	131,038,878	(7,409,672)	(10,181,980)	-	-	-	-	-	280,625	-	123,629,206
	19,802,710	246,431,292	46,686,000	37,731,204	-	-	-	-	-	280,625	-	350,931,832

The accompanying notes are an integral part of these consolidated and separate financial statements.

Notes:

- For further details refer to Note 41(d) N7.47billion (2024: N7.41billion) relates to the interest coupon expense incurred on the ATI issued because the underlying instrument is classified as equity, hence the interest coupon paid was through equity.
- Nigerian banking regulations require the Banking subsidiary to make an annual appropriation to a statutory reserve. An appropriation of 15% of profit after tax is made if the statutory reserve is greater than the paid-up share capital and 30% of profit after tax if the statutory reserve is less than the paid up share capital.
- The Central Bank of Nigeria (CBN) required that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. In the CBN Circular dated 5 April 2017, all DMBs are required to set aside and remit 5% of the annual profit after tax for equity investments.

Consolidated and Separate Statements of Cashflows

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Cash flows from operating activities					
Profit for the year		177,270,933	73,337,468	33,799,423	30,402,687
Adjustments for:					
Net impairment loss on financial assets	10	81,706,899	41,240,464	213,005	141,001
Fair value gain on financial assets held for trading	48(i)	(22,988,673)	(33,557,126)	-	-
Net gain from other financial instruments at fair value through profit or loss	13	-	-	(4,873,040)	4,394,049
Share of profit/loss from associate	30(a)	(1,187,730)	223,412	-	-
Loss on disposal of associate		-	227,177	-	-
Amortisation of intangibles	16	5,414,892	3,809,054	8,185	2,046
Depreciation of property and equipment	16	11,901,690	10,068,398	70,034	59,304
Gain on disposal of property and equipment	14(b)	(885,249)	(2,409,966)	(31)	(517)
Items written-off during the year	31(a)	135	217	-	-
Modification loss/(gain) on restructured facilities	14(a)(iii)	721,018	(1,331,168)	-	-
Unrealised foreign exchange gains	14(a)(ii)	14,094,842	(36,469,263)	1,512,434	(7,110,602)
Other operating expenses - provisions for litigation no longer required	18(a)	2,700,000	3,410,000	-	-
Net interest income		(505,907,000)	(225,300,203)	(6,885,836)	(7,929,154)
Intra group revenue		-	-	(25,273,586)	(28,940,057)
Dividends received	14(a)(i)	(2,700,153)	(1,754,901)	-	-
Tax expense	20	24,829,463	38,557,702	(1,818,595)	7,772,543
		(215,028,933)	(129,948,735)	(3,248,007)	(1,208,700)
Changes in operating assets and liabilities					
Working capital changes from associate investment		-	1,402,641	-	-
Net increase in restricted reserve deposits	50(x)	243,315,212	(641,824,674)	-	-
Net increase in derivative assets held for risk management	50(xi)	(2,824,882)	68,784	-	-
Net (increase) / decrease in trading assets	50(xii)	(143,600,137)	(182,363,695)	-	-
Net increase in loans and advances to customers	50(xiii)	121,867,147	(604,698,047)	-	-
Net (decrease)/increase in other assets	50(xv)	404,860,009	(39,953,910)	(12,752,698)	(6,816,395)
Net decrease in deposits from banks	50(xvii)	175,462,737	554,415,109	-	-
Net decrease in deposits from customers	50(xviii)	122,035,109	1,213,514,837	-	-
Net increase / (decrease) in on-lending facilities	50(xix)	113,388,872	147,378,550	-	-
Net increase in assets pledged as collateral	50(xiv)	267,544,436	(356,229,724)	-	-
Net decrease in derivative liabilities held for risk management	50(xx)	(1,999,507)	1,609,814	-	-
Net increase in provision	50(viii)	(2,746,773)	(3,006,398)	-	-
Working capital of subsidiary disposed off		-	(1,402,641)	-	-
Net decrease / (increase) in other liabilities	50(vii)	144,703,097	198,440,468	9,273,930	(73,841)
		1,226,976,387	157,402,379	(6,726,775)	(8,098,936)
Interest received	50(ii)	972,898,007	710,304,585	27,731,614	18,064,654
Interest paid	50(iii)	(485,107,488)	(425,493,237)	(1,265,968)	(928,052)
Dividend received from associate		-	332,928	-	-
Dividends received from investments	14(a)	2,700,153	1,754,901	3,373,472	11,921,621
VAT paid	50(iv)	(11,606,250)	(14,825,917)	(68,176)	(41,296)
Income taxes paid	20(ii)	(28,417,427)	(9,107,292)	(1,683,876)	(273,498)
Net cash generated from operating activities		1,677,443,382	420,368,347	21,360,292	20,644,493

Consolidated and Separate Statements of Cashflows

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Cash flows from investing activities					
Investment in subsidiaries	29(a)	-	-	(22,726,234)	(140,940,234)
Interest on public offer proceeds		-	6,370,908	-	6,370,908
Purchase of property and equipment	31	(21,052,149)	(9,419,006)	(263,176)	(142,915)
Purchase of intangible assets	31(a)	(39,219,051)	(7,479,708)	-	(147,298)
Purchase of intangible assets work-in-progress	31(a)	(4,919,864)	(6,022,137)	-	-
Proceeds from sale of property and equipment	50(viii)	1,027,038	2,304,123	(2,206)	530
Acquisition of investment securities	50(v)	(1,148,373,730)	(503,583,086)	(13,206,214)	(2,363,703)
Proceeds from sale and redemption of investment securities	50(v)	162,633,662	135,061,809	-	-
Deposit for investment securities		-	(323,031,162)	-	-
Cash disposed as part of subsidiary disposal		-	(2,074,721)	-	-
Net cash used in from investing activities		(1,049,904,094)	(707,872,980)	(36,197,830)	(137,222,712)
Cash flows from financing activities					
Interest paid on interest bearing borrowings		(3,306,939)	(2,798,117)	(877,199)	(917,689)
Interest paid on interest debt securities issued	39(f)&40(c)	(1,139,967)	(8,279,934)	-	-
Proceeds from issue of shares		22,726,234	144,559,789	22,726,234	144,559,789
Payments of share issue cost		-	(3,619,555)	-	(3,619,555)
Coupon paid on Additional Tier 1 capital	41(d) (iv)	(7,466,366)	(7,409,672)	(7,466,366)	(7,409,672)
Proceeds from long term borrowings	40(c)	90,515,068	219,026,254	-	3,120,000
Repayment of long term borrowings	40(c)	(49,709,184)	(62,476,333)	-	-
Proceeds from debt securities issued	50(xxi)	66,242,097	-	-	-
Repayment of debt securities issued	50(xxi)	(154,207,199)	-	-	-
Deposit received on divestment to NCI	50(xxiv)	10,973,680	-	10,973,680	-
Lease payment	36(g)50(vii)	(357,132)	(644,080)	-	-
Dividends paid to NCI		(90,755)	(103,142)	-	-
Dividends paid to owners		(21,782,982)	(9,901,355)	(21,782,982)	(9,901,355)
Net cash generated / (used in) from financing activities		(47,603,445)	268,353,855	3,573,367	125,831,517
Net (decrease)/ increase in cash and cash equivalents		579,935,843	(19,150,778)	(11,264,171)	9,253,299
Cash and cash equivalents at start of year		795,405,036	579,208,616	14,371,980	4,577,221
(decrease) / Increase in cash and cash equivalents		579,935,843	(19,150,778)	(11,264,171)	9,253,299
Effect of exchange rate movement on cash and cash equivalents held		(76,252,309)	235,347,198	(92,812)	541,460
Cash and cash equivalents at end of period	21	1,299,088,570	795,405,036	3,014,998	14,371,980

The accompanying notes are an integral part of these consolidated and separate financial statements.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Reporting entity

FCMB Group Plc was incorporated in Nigeria as a financial holding company on November 20, 2012, under the Companies and Allied Matters Act, in response to the CBN's Regulation on the Scope of Banking Activities and Ancillary Matters (Regulation 3).

The principal activity of FCMB Group Plc is to carry on business as a financial holding company, investing in and holding controlling shares in, as well as managing equity investments in Central Bank of Nigeria approved financial entities. The Company has seven direct subsidiaries; First City Monument Bank Limited (100%), FCMB Capital Markets Limited (100%), CSL Stockbrokers Limited (100%), FCMB Trustees Limited (formerly CSL Trustees Limited) (100%), FCMB Microfinance Bank Limited (100%), FCMB Pensions Limited (91.71%) and Credit Direct Finance Company Limited (100%).

FCMB Group Plc is a company domiciled in Nigeria. The address of the Company's registered office is 44 Marina, Lagos. These audited reports for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the 'Group').

These consolidated and separate financial statements were authorised for issue by the Board of directors on 27 February 2026.

2(a) Changes in accounting policies

Except as noted below, the Group has consistently applied the accounting policies as set out in Note 3 to all periods presented in these consolidated and separate financial statements.

(b) Material accounting policies

Except as noted in Note 2(a), the Group has consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements, unless otherwise stated.

3(a) (i) Statement of compliance

The financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (IASB) and in the manner required by the Companies and Allied Matters Act of Nigeria, the Financial Reporting Council of Nigeria Act, the Banks and other Financial Institutions Act of Nigeria, and relevant Central Bank of Nigeria circulars. The same accounting policies and methods of computation are followed in the consolidated and separate financial statements as compared with the most recent annual financial statements except as described in note 2(a).

(ii) Basis of accounting

The financial statements have been prepared under the historical cost convention with the exception of the following:

- Financial assets and liabilities measured at amortised cost;
- Derivative financial instruments which are measured at fair value; and
- Non-derivative financial instruments, carried at fair value through profit or loss, or fair value through OCI are measured at fair value.

(iii) Functional and presentation currency

These consolidated and separate financial statements are presented in Naira, which is the Company's functional currency. Except where indicated, financial information presented in Naira has been rounded to the nearest thousand.

(iv) Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes.

- **Note 5(b):** establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining the methodology for incorporating forward-looking information into the measurement of ECL and selection and approval of models used to measure ECL.
- **Notes 3(k)(ii) and 5:** classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2025 is included in the following notes.

- **Notes 4(b) and 3(k)(vii):** impairment of financial instruments: determination of inputs into the ECL measurement model, including key assumptions used in estimating recoverable cash flows and incorporation of forward-looking information.
- **Note 7:** measurement of the fair value of financial instruments with significant unobservable inputs.
- **Note 32:** recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used.
- **Note 31(d) – (e):** impairment testing for CGUs containing goodwill: key assumptions underlying recoverable amounts.

Information about significant areas of estimation uncertainties and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are described in note 5.

(b) Basis of Consolidation

(i) Subsidiaries

Subsidiaries are investees controlled by the Group. The Group 'controls' an investee if it is exposed to, or has the rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether it has control if there are changes to one or more of elements of control. This includes circumstances in which protective rights held become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Investment in subsidiaries are measured at cost less impairment in the Company's separate financial statements.

(ii) Special purpose entities

Special purpose entities (SPEs) are entities that are created to accomplish a narrow and well-defined objective such as the execution of a specific borrowing or lending transaction. An SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE.

The Group established FCMB Financing SPV Plc, Nigeria as a special purpose entity to raise capital from the Nigerian capital markets or other international market either by way of a stand-alone Issue or by the establishment of a programme. Accordingly, the financial statements of FCMB Financing SPV Plc have been consolidated.

(iii) Loss of control

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interests in the previous subsidiary, then such interests is measured at fair value at the date that control is lost. Subsequently that retained interests is accounted for as an equity-accounted investee or in accordance with the Group's accounting for financial instruments.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(iv) Common control transactions

Common control transactions in the consolidated financial statement are accounted for at book value accounting. Any method chosen by an entity are consistently used for all similar common control transactions in its consolidated financial statements; i.e. it cannot use IFRS 3 accounting for some common control transactions and book value accounting for other similar transactions.

The difference between the consideration paid and the book value of the asset represents transaction with shareholder and should therefore be recorded in equity. The assets and liabilities transferred are recognised at the carrying amounts recognised previously in the transferor's consolidated financial statements. The Group adopted the book value method of accounting for its common control transactions.

(v) Transactions eliminated on consolidation

Intra-group balances and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(c) Foreign currency

(i) Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the operations at the spot exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rates as at that date. The foreign currency gain or loss is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the spot exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into

the functional currency at the spot exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

However, foreign currency differences arising from the translation of the following item are recognised in other comprehensive income:

- an investment in equity securities designated at fair value through other comprehensive income (FVOCI) except on impairment, in which case foreign currency difference that have been recognised in other comprehensive income are reclassified to profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Naira at spot exchange rates at the reporting date. The income and expenses of foreign operations are translated to Naira at spot exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interests (NCI). When a foreign operation is disposed of such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such item are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity.

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(d) Interest

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of financial assets or financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Group estimates future cashflows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit adjusted effective interest rate is calculated using estimated future cashflows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset.

The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Interest income and expense presented in the statement of profit or loss and OCI include:

- Interest on financial assets and liabilities measured at amortised cost calculated on an effective interest rate basis.
- Interest on debt instruments measured at fair value through other comprehensive income calculated on an effective interest basis;

Interest income and expense on all trading assets and liabilities are considered to be incidental to the Group's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

(e) Fees and commission

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate which is used in the computation of Interest Income. Fees, such as processing and management fees charged for assessing the financial position of the borrower, evaluating and reviewing guarantees, collateral and other security, negotiation of instruments' terms, preparing and processing documentation and finalising the transaction are an integral part of the effective interest rate on a financial asset or liability and are included in the measurement of the effective interest rate of financial assets or liabilities.

Other fees and commission income, including loan account servicing fees, investment management and other fiduciary activity fees, sales commission, placement fees and syndication fees, are recognised as the related services are performed. When a loan commitment is not expected to result in the draw-down of a loan, loan commitment fees are recognised on a straight-line basis over the commitment period.

Other fees and commission expense relates mainly to transaction and service fees, which are expensed as the services are received.

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(f) Net trading income

Interest income and expense on all trading assets and liabilities are considered to be incidental to the Group's trading operations and be presented together with others.

Net trading income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes, dividends and foreign exchange differences.

(g) Net income from other financial instruments at fair value through profit or loss

Net income from other financial instruments at fair value through profit or loss relates to fair value gains or losses on non-trading derivatives held for risk management purposes that do not form part of qualifying hedge relationships and financial assets and liabilities designated at fair value through profit or loss. It includes all realised and unrealised fair value changes, interest, dividends and foreign exchange differences.

(h) Dividend income

Dividend income is recognised when the right to receive income is established. Dividends are presented in net trading income, net income from other financial instruments at fair value through profit or loss or other revenue based on the underlying classification of the equity investment.

(i) Leases

Leases (right-of-use asset) are accounted for in accordance with IFRS 16 and are accounted for in line with the following based on whether the Group is the Lessor or the Lessee:

(i) Group acting as a lessee

At the commencement date, the Group recognises a right-of-use asset at cost and a lease liability, where applicable, at the present value of the lease payments that are not paid at that date.

The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the

lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Group subsequently measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Group presents right-of-use assets in 'property and equipment' and lease liabilities in 'other liabilities' in the statement of financial position.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) Group acting as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices. When the Group acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease.

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The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset.

(j) Income tax

Income tax expense comprises current tax (company income tax, tertiary education tax National Information Technology Development Agency levy and Nigeria Police Trust Fund levy) and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Company had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

(a) Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is:

- Company income tax is computed on taxable profits
- Tertiary education tax is computed on assessable profits
- National Information Technology Development Agency levy is computed on profit before tax
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year)
- National Agency for Science and Engineering Infrastructure (NASENI) levy is computed on 0.25% of Profit Before Tax for commercial companies in the banking, mobile communication, ICT, aviation, maritime and oil and gas sectors.

Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

Minimum tax

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

Minimum tax is determined based on the sum of:

- the highest of; 0.25% of revenue of N500,000, 0.5% of gross profit, 0.25% of paid up share capital and 0.5% of net assets; and
- 0.125% of revenue in excess of N500,000.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.

(b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of

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the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

(k) Financial assets and financial liabilities

(i) Recognition and initial measurement

The Group initially recognises loans and receivables, deposits, debt securities issued and subordinated liabilities on the date

on which they are originated. All other financial instruments (including assets and liabilities designated at fair value through profit or loss) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case, all affected financial assets are reclassified on the first reporting period following the change in business model.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification

A financial asset is measured at fair value through other comprehensive income only if it meets both the following conditions and is not designated as at fair value through profit or loss:

- the asset is held within a business model whose objective is achieved by both collecting contractual cashflow and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at fair value through profit or loss.

In addition, on initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group changes its business model for managing financial assets. The reclassification carried out prospectively from the reclassification date. Accordingly, any previously unrecognised gains, losses or interest are not reinstated. Changes in the business model for managing financial assets are expected to be very infrequent.

Financial liabilities

The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost or fair value through profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual right to the cash flow from the Financial assets expires or it transfers the right to receive the contractual cash flow in a transaction in which the substantially all the risks and rewards of the ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and the rewards of the ownership and it does not retain control of the financial asset.

On derecognition of the financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at fair value through other comprehensive income is not recognised in the profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

The Group enters into transactions whereby it transfers assets recognised on its statement of financial position, but retains either all or substantially all of the risks and rewards of the

transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the Group retains all or substantially all the risks and rewards of ownership of such assets.

In transaction in which the Group neither retains nor transfers substantially all the risks and rewards of ownership of the asset and it retains control over the asset, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

The Group securitises various loans and advances to customers and investment securities, which generally result in the sale of these to unconsolidated securitisation vehicles and in the Group transferring substantially all the risks and rewards of ownership. The securitisation vehicle in turn issues securities to investors. Interest in the securitised financial assets are generally retained in the form of senior or subordinated tranches, interest-only strips or other residual interests (retained interests). Retained interests are recognised as investment securities and carried at fair value through other comprehensive income. Gains or losses on securitisation are recorded in other revenue.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired.

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(iv) Modification of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified assets are substantially different. If the cash flows are substantially different, then the contractual right to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flow of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and derecognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in other income in profit or loss.

Financial liabilities

The Group derecognises a financial liability when its terms are modified and the cash flow of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of the financial position when, the Group currently has a legally enforceable right to set off the amounts and it intends to either to settle them on a net basis or to realise the asset and settle the liability simultaneously

Income and expenses are presented on a net basis only when permitted under IFRS Accounting Standards, or gains and losses arising from a group of similar transactions such as the Group's trading activity.

(vi) Fair value measurement

Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Group measure the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that the market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e, the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

If an asset or a liability measured at fair value has a bid price and ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

Portfolios of financial assets and financial liabilities that are exposed to market risk and credit risk that are managed by the Group on the basis of the net exposure to either market or credit risk are measured on the basis of a price that would be received to sell a net long position (or paid to transfer a net short position) for the particular risk exposure. Portfolio-level adjustments-e.g bid-ask adjustment or credit risk adjustments that reflect the measurement on the basis of the net

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exposure- are allocated to the individual assets and liabilities on the basis of the relative risk adjustment of each of the individual instruments in the portfolio.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(vii) Impairment

The Group recognises loss allowances for ECL on the following financial instruments that are not measured at fair value through profit or loss:

- financial assets measured at amortised cost;
- debt investments measured at fair value through other comprehensive income;
- financial guarantee contracts issued; and
- loan commitments issued

No impairment loss is recognised on equity investments.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following for which they are measured as 12-month ECL;

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivable are always measured at an amount equal to lifetime ECL.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group does not apply the low credit risk exemption to any other financial instruments.

12-months ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for

which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instruments. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

Measurement of ECL

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit -impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flow due to the entity in accordance with the contract and the cash flow that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is down and the cash flows that the Group expects to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amount that the Group expects to recover.

Restructured financial assets

If the terms of a financial assets renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cashflows arising from the modified financial asset are included in calculating the cash shortfalls from the existing assets.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the asset is treated as final cash flow from the existing

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financial asset at the time of its derecognition. The amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-Impaired financial assets

At each reporting date, the Group assesses whether financial assets at amortized cost and debt instruments carried at fair value through other comprehensive income are credit-impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a retail loan that is overdue for 90 days or more is considered impaired.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Group considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessment of creditworthiness.
- The countries ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanism in place to provide the necessary support as 'lender of last resort' to the

country, as well as the intention, reflected in the public statement of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of political intent, whether there is the capacity to fulfil the required criteria.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component, the Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; an
- debt instruments measured at fair value through other comprehensive income: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is charged to profit or loss and is recognised in the fair value reserve, other comprehensive income.

Write-off policy

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Recoveries of amount previously written off are included in impairment losses "on financial instruments" in the statement of profit or loss and other comprehensive income". However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

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Measurement of impairment

Impairment losses on assets measured at amortised cost were calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted as the asset's original effective interest rate. Impairment losses were calculated as the difference between the carrying amount and the fair value.

Reversal of impairment

- For assets measured at amortised cost: If an event occurring after the impairment was recognised caused the amount of impairment loss to decrease, then the decrease in impairment loss was reversed through profit or loss.

Impairment losses were recognised in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. Interest on the impaired assets continued to be recognised through the unwinding of the discount.

Impairment losses on investment securities at fair value through other comprehensive income are recognised by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss previously recognised in profit or loss.

Write-off

The Group wrote off a loan or an investment debt security, either partially or in full, and any related allowance for impairment losses, when Group determined that there was no realistic prospect of recovery.

(viii) Designation at fair value through profit or loss

Financial assets

At initial recognition, the Group has designated certain financial assets as at fair value through profit or loss because this designation eliminates or significantly reduces an accounting mismatch, which would otherwise arise.

Financial liabilities

The Group has designated certain financial liabilities as at fair value through profit or loss in either of the following circumstances:

- the liabilities are managed, evaluated and reported internally on a fair value basis; or
- the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(l) (i) Cash and cash equivalents

Cash and cash equivalents include bank notes and coins on hand, unrestricted balances held with central banks and highly liquid financial assets with original maturities of less than three months, which are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. Cash and cash equivalents are carried at amortised cost in the statement of financial position. For the purposes of the cash flow statement, cash and cash equivalents include cash and non-restricted balances with central banks.

(ii) Restricted reserve deposits

Restricted reserve deposits are restricted mandatory reserve deposits held with the Central Bank of Nigeria, which are not available for use in the Banking subsidiary's and Group's day-to-day operations. They are calculated as a fixed percentage of the Group's and Bank's deposit liabilities.

(m) Trading assets and liabilities

Trading assets and liabilities are those assets and liabilities that the Group acquires or incurs principally for the purpose of selling or repurchasing in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking.

Trading assets and liabilities are initially recognised and subsequently measured at fair value in the statement of financial position with transaction costs recognised in profit or loss. All changes in fair value are recognised as part of net trading income in profit or loss.

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(n) Assets pledged as collateral

Financial assets transferred to external parties that do not qualify for de-recognition (see k(iii)) are reclassified in the statement of financial position from investment securities to assets pledged as collateral, if the transferee has received the right to sell or re-pledge them in the event of default from agreed terms. Assets pledged as collateral are initially recognised at fair value, and are subsequently measured at amortised cost or fair value as appropriate. These transactions are performed in accordance with the usual terms of securities lending and borrowing.

(o) Loan and advances

Loan and advances' captions in the statement of financial position include:

- loans and advances measured at amortised cost; they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- loans and advances mandatorily measured at fair value through profit or loss or designated as at fair value through profit or loss; these are measured at fair value with changes recognised immediately in profit or loss; and
- finance lease receivables.

When the Group purchases a financial asset and simultaneously enters into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the arrangement is accounted for as a loan or advance, and the underlying asset is not recognised in the Group's financial statements.

Loans and advances were initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using effective interest method. When the Group chose to designate the loans and advances as measured at fair value through profit or loss, they were measured at fair value with face value changes recognised immediately in profit or loss.

Loans and advances also included finance lease receivables in which the Group was the lessor.

When the Group purchased a financial asset and simultaneously entered into an agreement to resell the asset (or a substantially similar asset) at a fixed price on a future date (reverse repo or stock borrowing), the arrangement was accounted for as a loan or advance, and the underlying asset was not recognised in the Group's financial statements

(p) Investment securities

Investment securities' caption in the statement of financial position includes:

- debt investment securities measured at amortised cost; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method;
- debt and equity investment securities mandatorily measured at fair value through profit or loss or designated at fair value through profit or loss; these are at fair value with changes recognised immediately in profit or loss;
- debt securities measured at fair value through other comprehensive income; and
- equity investment securities designated at fair value through other comprehensive income.

For debt securities measured at fair value through other comprehensive income, gains and losses are recognised in OCI, except for the following, which are recognised in profit and loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL and reversals; and
- foreign exchange gains and losses.

When debt security measured at fair value through other comprehensive income is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

The Group elects to present in OCI changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

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Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in the profit and loss. Dividends are recognised in profit and loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in OCI. Cumulative gains and losses recognised in OCI are transferred to retained earnings on disposal of an investment.

(q) Derivatives held for risk management purposes

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives are recognised initially at fair value in the statement of financial position, while any attributable costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value with fair values changes recognised in profit or loss.

(r) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of the equipment.

When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Items of work in progress are recognised at cost less any observable impairment. A review for impairment is carried out when circumstances or situations suggests that the asset carrying amount may not be recoverable. Impairment loss is recognized when the current asset value is less than the cost.

The gain or loss on disposal of an item of property and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment and are recognized net within other income in profit or loss.

The assets' carrying values and useful lives are reviewed, and written down if appropriate, at each reporting date. Assets are impaired whenever events or changes in circumstances

indicate that the carrying amount is less than the recoverable amount; see note (t) on impairment of non-financial assets.

(ii) Subsequent costs

The cost of replacing part of an item of property or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property and equipment.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale. Items classified as work in progress are not depreciated till the asset is available for use. Leasehold land is not depreciated.

The estimated useful lives for the current and comparative periods of significant items of property and equipment are as follows:

Leasehold improvement	Over the shorter of the useful life of the item or lease term
Buildings	50 years
Computer equipment	4 years
Furniture, fittings and equipment	5 years
Motor vehicles	4 years
Right-of-use assets	Over the relevant lease terms.

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. When an item of work in progress is completed and is available for use, the asset is de-classified to the relevant class of the asset under property and equipment.

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(iv) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(s) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries at the date of acquisition. When the excess is negative, it is recognised immediately in profit or loss; Goodwill on acquisition of subsidiaries is included in intangible assets. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Subsequent measurement

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Goodwill is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash-generating unit with the carrying value of its net assets, including attributable goodwill and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(ii) Software

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that it is available for use since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The maximum useful life of software is four years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(t) Impairment of non-financial assets

The Group's non-financial assets with carrying amounts other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(u) Deposits, debt securities issued, onlending facilities and borrowings

Deposits, debt securities issued, onlending facilities and borrowings are the Group's sources of funding. When the Group sells a financial asset and simultaneously enters into a "repo" or "lending" agreement to repurchase the asset (or a similar asset) at a fixed price on a future date, the arrangement is accounted for as a deposit, and the underlying asset continues to be recognised in the Group's financial statements.

Deposits, debt securities issued, onlending facilities and borrowings are initially measured at fair value less incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Group chooses to carry the liabilities at fair value through profit or loss.

(v) Sale and repurchase agreements

Securities sold subject to repurchase agreements ('repos') remain on the statement of financial position; the counterparty liability is included in amounts due to other banks, deposits from banks, other deposits or deposits due to customers, as appropriate. Securities purchased under agreements to resell (reverse repos') are recorded as money market placement. The difference between sale and repurchase price is treated as interest and accrued over the life of the agreements using the effective interest method.

Securities lent to counterparties are also retained in the financial statements. Securities borrowed are not recognised in the financial statements, unless these are sold to third parties, in which case the purchase and sale are recorded with the gain or loss included in trading income.

(w) Provisions

Provisions are determined by discounting the expected future cashflows at a pre-tax rate that reflects current market assessments of time value of money and the specific risks to the liability. Provisions for restructuring costs and legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably

estimated. A provision for bank levies is recognised when the condition that triggers the payment of the levy is met. If a levy obligation is subject to a minimum activity threshold so that the obligating event is reaching a minimum activity, then a provision is recognised when that minimum activity threshold is reached. The Group recognises no provisions for future operating losses.

(x) Financial guarantees and loan commitments

Financial guarantees are contracts that require the Group to make specific payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debit instrument. 'Loan commitments' are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or commitments to provide a loan at a below-market interest rate are initially measured at fair value and the initial fair value is amortised over the life of the guarantee or the commitment. Subsequently, they are measured as follows;

- At the higher of this amortised amount and the amount of loss allowance (see k(vii)).

The Group has issued no loan commitment that are measured at fair value through profit or loss.

For other loan commitments:

The Group recognises loss allowance (see k(vii)).

Liabilities arising from financial guarantees and loan commitments are included within provisions.

(y) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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(ii) Defined contribution plans

A retirement benefit obligation is a defined contribution plan. A defined contribution plan is a post-employment benefits plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. In line with the Pension Reform Act 2014, the Group and its employees make a joint contribution of 18% (10% by the Company and 8% by the employees) of basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated pension fund administrators. Obligations for contributions to defined contribution plans are recognised as personnel expenses in profit or loss in the period during which related services are rendered.

(iii) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancy are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted.

(z) Share capital, ATI Capital and reserves

(i) Issued debt and equity instruments

The Group applies IAS 32, Financial Instruments: Presentation, to determine whether funding is either a financial liability (debt) or equity. Issued financial instruments or their components are classified as liabilities if the contractual arrangement results in the Group having an obligation to either deliver cash or another financial asset, or a variable number of equity shares, to the holder of the instrument. If this is not the case, the instrument is generally an equity instrument and the proceeds included in equity, of which the transaction costs are deducted against equity. Dividends and other returns to equity holders are recognised when paid or declared by the members at the Annual General Meeting and treated as a deduction from equity.

Where issued financial instruments contain both liability and equity components, these are accounted for separately. The fair value of the debt is estimated first and the balance of the proceeds is included within equity.

(ii) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instrument.

(iii) Dividend on the Group's ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders. Dividends for the year that are declared after the date of the consolidated statement of financial position are dealt with in the subsequent events note. Dividends proposed by the Directors but not yet approved by members are disclosed in the financial statements in accordance with the requirements of the Companies and Allied Matters Act of Nigeria.

(iv) Share premium

Premiums from the issue of shares are reported in share premium.

(v) Retained earnings

Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

(vi) Other reserves comprises of statutory reserve, SSI reserve, translation reserve, fair value reserve, regulatory risk reserve and forbearance reserve

(a) Statutory reserve: Nigerian banking regulations require the Banking subsidiary to make an annual appropriation to a statutory reserve. As stipulated by Section 16(1) of the Banks and Other Financial Institutions Act of 1991 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital.

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(b) AGSMEIS / SSI reserve: The SSI reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the five years but banks' contributions shall thereafter reduce to 5% of profit after tax. The small and medium scale industries equity investment scheme reserves are non-distributable.

In April 2017, the Central Bank of Nigeria issued guidelines to govern the operations of the Agricultural/Small and Medium Enterprises Scheme (AGSMIES), which was established to support the Federal Government's efforts at promoting agricultural businesses and Small and Medium Enterprises (SMEs) as vehicles for achieving sustainable economic development and employment generation. Though there's no longer mandatory transfers to this reserve under the earlier directives, all Nigerian banks are now required to set aside an amount equal to 5% of their annual Profits After Tax (PAT) towards the funding of equity investments, which qualify under the AGSMEIS Scheme. This is done after the audit and Central Bank of Nigeria (CBN) approval.

- (c) Translation reserve:** comprises exchange differences resulting from the translation to Naira of the results and financial position of Group companies that have a functional currency other than Naira.
- (d) fair value reserve:** comprises fair value movements on equity instruments and debt securities carried at fair value through other comprehensive income.
- (e) Regulatory risk reserve:** The Nigerian banking regulator requires the Banking subsidiary to create a reserve for the difference between impairment charge determined in line with the principles of IFRS Accounting Standards and impairment charge determined in line with the prudential guidelines issued by the Central Bank of Nigeria (CBN). This reserve is not available for distribution to shareholders.

(f) forbearance reserve: this is a non-distributable reserve which arose from forbearance granted by Central Bank of Nigeria being an additional appropriation of 15% of profit after tax to account for potential future provisions valid until 31 December 2020.

(aa) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

(ab) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with any of the Group's other components, whose operating results are regularly reviewed by the Executive Management Committee (being the chief operating decision maker) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Executive Management Committee (being the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

(ac) Operating expense – general and administrative expenses and other operating expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

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Expenses are recognized on an accrual basis regardless of the time of spending cash. Expenses are recognized in the income statement when a decrease in future economic benefit related to a decrease in an assets or an increase of a liability has arisen that can be measured reliably. Expenses are measured at historical cost.

Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statement as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned.

Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming financial years.

(ad) Deposit for Investment in AGSMEIS

The Agri-Business/Small and Medium Enterprises Investment Scheme is an initiative of Banker's committee of Nigeria. The contributed funds is meant for supporting the Federal Government's effort at promoting agricultural businesses as well as Small and Medium Enterprises. In line with this initiative, the Bank will contribute 5% of Profit After Tax yearly to the fund.

(ae) Consumables

Consumables include stocks and cards held for resale or subsequent issuance to customers. They are measured at lower of cost and net realizable value. Cost comprises of purchase and other costs incurred in bringing the items of stock to their present location and condition. Net realizable value is the estimated issuance price. When items of consumables are issued to customers, their carrying amount is recognized as an expense in the period in which the relevant revenue is recognized.

(af) Levies

A levy is an outflow of resources embodying economic benefits that is imposed by governments on entities in accordance with legislation (i.e. laws and/or regulations), other than:

- Those outflows of resources that are within the scope of other Standards (such as income taxes that are within the scope of IAS 12 Income Taxes); and
- Fines or other penalties that are imposed for breaches of the legislation

The Group recognises a levy when the obligating event that gives rise to a liability as identified by the legislation, occurs. This triggers the obligation to pay the levy and recognise the expense for the period.

(ag) Standards issued in the current year but now effective and New and revised IFRS Accounting Standards in issue but not yet effective

A number of new Standards, Amendments to Standards, and Interpretations are effective for annual periods beginning after 1 January 2025 and have not been applied in preparing these financial statements. Those Standards, Amendments to Standards, and Interpretations which may be relevant to the Group are set out below.

The Group do not plan to adopt these standards early. The standards will be adopted in the period that they become mandatory unless otherwise indicated:

The directors are of the opinion that the impact of the application of the remaining Standards, Amendments to Standards and Interpretations are not expected to have a significant impact on the Group's financial statements.

Standards issued in the current year but now effective

Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The group has adopted the amendments to IAS 21 for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

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New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective.

The directors do not expect that the adoption of the Standards listed above will have a material impact on the financial statements of the Group in future periods, except as noted below:

i) Amendments to IFRS 9 and IFRS 7 — Amendments to the Classification and Measurement of Financial Instruments

The amendments in Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) are:

a) Derecognition of a financial liability settled through electronic transfer

The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognised) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

b) Classification of financial assets

• Contractual terms that are consistent with a basic lending arrangement

The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.

• Assets with non-recourse features

The amendments enhance the description of the term 'non-recourse', in particular to specify that a financial

asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

• Contractually linked instruments

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritisation of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

c) Disclosures

• Investments in equity instruments designated at FVTOCI

The requirements in IFRS 7 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period.

• Contractual terms that could change the timing or amount of contractual cash flows

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or FVTOCI and each class of financial liability measured at amortised cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier

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application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions.

The directors of the entity anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

ii) Annual Improvements to IFRS Accounting Standards—Volume 11

The IASB issued amendments to five IFRS Accounting Standards as part of its annual improvements process.

a) IFRS 1 First-time Adoption of International Financial Reporting Standards—Hedge accounting by a first-time adopter

For consistency with the requirements in IFRS 9, IFRS 1:B5-B6 were amended to refer to the 'qualifying criteria' for hedge accounting (instead of the 'conditions') and to add cross-references to IFRS 9:6.4.1 to improve the understandability of IFRS 1.

b) IFRS 7 Financial Instruments: Disclosures—Gain or loss on derecognition

The amendments remove an obsolete cross-reference in IFRS 7:B38 to a paragraph that had been deleted when IFRS 13 was issued and align the wording of this paragraph with the terms used in IFRS 13.

c) Guidance on implementing IFRS 7—Disclosure of deferred difference between fair value and transaction price

The amendments update IFRS 7:IG14 to make the wording of that paragraph consistent with IFRS 7:28 and improve the internal consistency of the wording in the example in IFRS 7:IG14.

d) Guidance on implementing IFRS 7—Introduction and credit risk disclosures

The amendments add a statement to IFRS 7:IG1 clarifying that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. The amendments also simplify the explanation of the aspects of the requirements that are not illustrated in IFRS 7:IG20B.

e) IFRS 9 Financial Instruments—Derecognition of lease liabilities

The amendments add a cross-reference to IFRS 9:3.3.3 in IFRS 9.2.1(b)(ii) to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9:3.3.3 and therefore recognise any resulting gain or loss in profit or loss.

f) IFRS 9 Financial Instruments—Transaction price

The amendments replace 'their transaction price (as defined in IFRS 15)' in IFRS 9.5.1.3 with 'the amount determined by applying IFRS 15' to address inconsistency between IFRS 9.5.1.3 and the requirements of IFRS 15 which may require a receivable to be measured at an amount that differs from the amount of the transaction price recognised as revenue. Additionally, the reference to 'transaction price' (as defined in IFRS 15) is deleted from Appendix A of IFRS 9.

g) IFRS 10 Consolidated Financial Statements—Determination of a 'de facto agent'

The amendments address concerns that the requirements in IFRS 10:B73-B74 might, in some situations, be contradictory. IFRS 10:B73 refers to 'de facto agents' as parties acting on the investor's behalf and states that the determination of whether other parties are acting as de facto agents requires judgement. However, the second sentence of IFRS 10:B74 includes more conclusive language and states that a party is a de facto agent when those that direct the activities of the investor have the ability to direct that party to act on the investor's behalf. The amendments update IFRS 10:B74 to use less conclusive language and to clarify that the relationship described in IFRS 10:B74 is just one example

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of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

h) IAS 7 Statement of Cash Flows—Cost method

The amendment replaces the term 'cost method' with 'at cost' in IAS 7:37 in line with the removal of the definition of 'cost method' from the IFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. An entity is required to apply the amendments to IFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. No specific transition provisions are provided in respect of the other amendments.

iii) Amendments to IFRS 9 and IFRS 7—Contracts Referencing Nature-dependent Electricity

a) Amendments to IFRS 9 Financial Instruments

The following requirements of IFRS 9 are affected by the amendments:

- the own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and
- the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument:
 - to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and
 - to measure the hedged item using the same volume assumptions as those used for the hedging instrument

b) Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability:

Disclosures IFRS 7 and IFRS 19 were amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The amendments to the own use exemption are required to be applied retrospectively in accordance with IAS 8 using the facts and circumstances at the date of initial application. The amendments to the hedge accounting requirements are to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The directors of the entity anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

iv) IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the entity anticipate that the application of these amendments may have an impact on the group's consolidated financial statements in future periods.

v) IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate

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or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards) to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

The directors of the entity do not anticipate that IFRS 19 will be applied for purposes of the consolidated financial statements of the group.

4 Financial risk management

(a) Introduction and overview

FCMB Group Plc as a corporate group of diverse operating assets, risk management is critical to the attainment of the Group's strategic vision and business objectives. It provides the mechanism to identify and explore growth opportunities, anticipate and manage inherent risks in operating and business environments, and ensure compliance with corporate governance standards and regulatory stipulations. Our risk management practices are integrated, structured, enterprise-wide and continuous across the Group for identifying and deciding on appropriate responses to, and reporting on, opportunities and threats that may affect the achievement of the strategic business objectives. Based on its strategic business and operational objectives, the Group is exposed to a wide range of financial and non financial risks such as credit, liquidity, market, operational, strategic, regulatory, reputational, systemic, cyber and pandemic risks. It has put in place a robust risk management framework, policies and processes for the proactive identification, assessment, measurement and management of such risks to ensure that they are managed within the Board approved risk appetite whilst also complying with the regulatory requirements.

The Group continually reviews its enterprise risk management framework, complementary policies and processes to ensure that they remain relevant for the various risk exposures and align with the organisational objectives. Also, the Group has developed, and periodically updates its capital management policy and capital plan to ensure that it operates within its risk capacity while balancing and optimising risks and return.

The business strategy and capital plan are part of the key considerations in the development of risk appetite and they all work together to ensure the Group conducts its business in a stable equilibrium.

In line with global standards and proactive risk management practices, the Group sets the tone from the top, with a strategy that ensures that individuals who take or manage risk clearly understand it; the Group and its subsidiaries' risk exposures are within the appetites established by Board of Directors; risk taking decisions are in line with the business strategy and objectives set by the Board of Directors; the expected payoffs compensate for the risks taken; risk taking decisions are explicit and clear; and sufficient capital is available to take risks. Personal accountability is reinforced by the Group's values, with staff expected to act with courageous integrity in conducting their duties even as competence is developed through various training and development programs. Also, staff and other stakeholders are supported through the Group's whistle blower program, which enables them to raise concerns in a confidential manner. The whistle blower program has been outsourced to an independent body to ensure independence, confidentiality and protection of the whistle blower.

FCMB Risk Management Philosophy

Overall, the Group's enterprise risk management (ERM) program is underpinned by a strong risk management philosophy and culture, which ensures that the risk management practices are embedded in strategy development and implementation and day-to-day activities of the Group. The Group's risk management philosophy is: *"to continue to institutionalise comprehensive risk practices that enable our stakeholders build and preserve wealth while integrating our core values and beliefs group-wide to give us competitive advantage"*.

The following are the guiding principles that FCMB tries to entrench in its risk management process:

- (a) a common standard of risk management values imbibed and consistently exhibited by everyone in the Group;
- (b) consistent drive to balance risk/opportunities and return;
- (c) clear and consistent communication on risks;
- (d) a business strategy that aligns risk and accountability;

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- (e) the Group will always strive to understand every new product, business or any type of transaction with a view to address all the risk issues; and
- (f) the Group will avoid products and businesses it does not understand.

FCMB shall seek to fully understand the risks and rewards of transactions and only transactions that meet the Group's risk appetite and profile shall be undertaken.

The chart below provides a link between the group's business units and their principal risk exposures. The risks have been assessed based on the relative amount of capital allocation to the various business lines and their revenue generating ability.

The chart represents the Group's exposure to its major risks - credit, market and operational risks on a business segment basis. The classification to high, medium and low is based on the relative amount of capital allocated to the businesses, their revenue generating abilities and operational risks inherent in their related activities and processes.

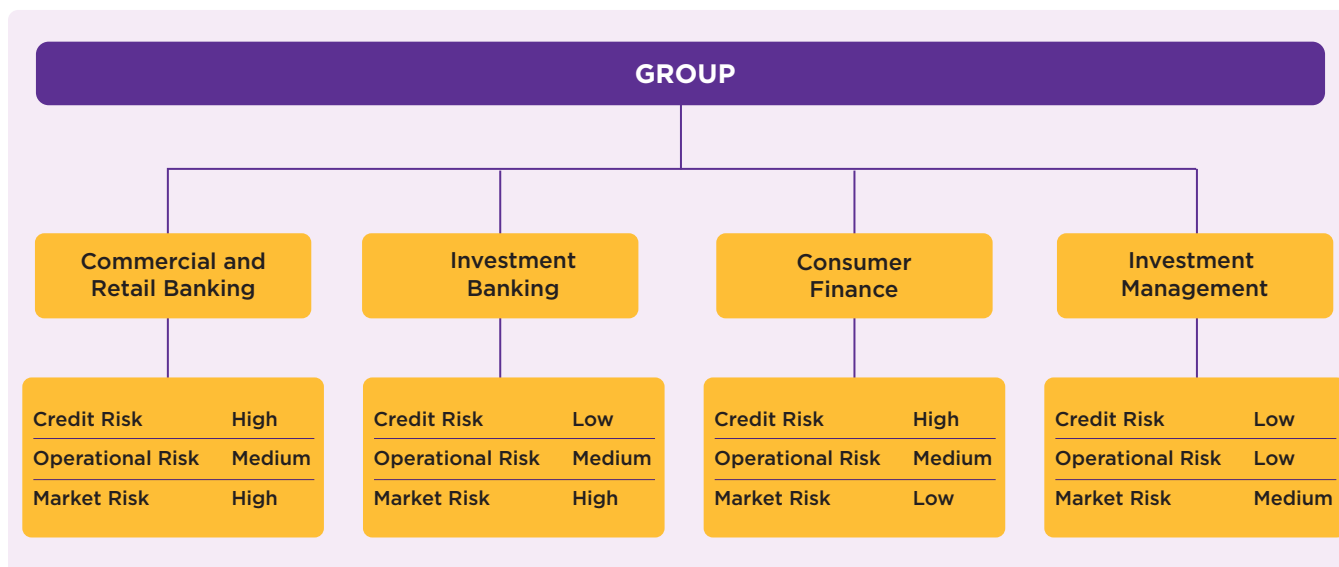
As implied from the chart, credit risk is the largest risk exposure of the Group, next to this is operational risk and then market risk. Market risk resulting from devaluation of the naira has reduced due to the relative stability of the foreign exchange market compared to the same period in the last financial year

as the domestic currency appreciated by 6.5% of its value on the official exchange rate window, from 1548.00 at the beginning of the year to the U.S. dollar to 1439.93 at the end of the year. However, market risk is still high due to interest rate risks, which affects both the trading and banking book, with significant impact in the Banking book - the Interest Rate Risk in the Banking Book (IRRBB). The CBN monetary policy maintained tightening monetary stance during year with its benchmark rate closed year at 27.00% in an aggressive push to contain the nation's inflationary pressure.

It continues to manage liquidity in the system using various instruments and frameworks but the banking subsidiary maintained stable liquidity position in the year under review.

The commercial and retail banking segment, which includes corporate portfolio, having the largest exposure to credit risk, takes most of the capital allocation, followed by investment banking (treasury, brokerage, advisory services), consumer finance and investment management (pension, asset management and trusteeship businesses). Despite the presence of counterparty risks, credit risk is low for investment banking and investment management segments. Market risk remained high in the period due to the monetary policy stance of the Central Bank of Nigeria (CBN). The investment management business has the least capital allocation and was adjudged to have low risk due to the

Business Units and Risk Exposures



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structure of its portfolios. The Group continues to identify and proactively manage its various risk exposures at both the transaction and portfolio levels, making sure that appropriate mitigants are in place for the various balance sheet exposures.

The disclosures here therefore give details of the Group's exposures to these risks and the appropriate policies and processes for managing them, including a summary of the capital management practices of the Group.

Risk Management Framework

The Board of FCMB Group Plc has the risk oversight role, setting and approving the risk appetite and other capital management initiatives to be implemented by the Executive Management Committee. The Boards of FCMB Group Plc and its subsidiaries continue to align the business and risk strategies of the Group through a well-articulated appetite for all significant risks and make sure (through appropriate subcommittees) that all risk taking activities are within the set appetite or tolerance, failing which an appropriate remedial action should be taken within a reasonable period. The Board has delegated authority to the Board Risk Management Committee, one of its sub-committees, to provide the framework for managing risk exposures in the Group, ensuring that there is an alignment between the business and risk strategies. The Board Credit Committee (BCC) is another important sub-committee of the Group that has been vested with the responsibility for ensuring that its credit risk

exposures are managed within the defined risk appetite. The responsibility for day-to-day management of these risks has been delegated to Executive Management through its related committees (Risk Management Committee, Management Credit Committee, Asset and Liability Committee, Investment Committee, Information Security Steering/Committee and Executive Management Committee). The Executive Management Committee coordinates the activities of its subcommittees to provide support to the Board in managing risk and ensuring that capital is adequate and optimally deployed.

The Risk Committee focuses on risk governance and provides a strong forward-looking view of risks and their mitigation in order to protect against unforeseen losses and guarantee safety, soundness and stability of earnings.

Additionally, the Risk Committee ensures the alignment of the reward structures and the maintenance and development of a supportive culture in relation to the management of risk, which is appropriately embedded through procedures, training and leadership actions. In carrying out its responsibilities, the Risk Committee is closely supported by the Chief Risk Officer and the Chief Financial Officer, together with other business functions within their respective areas of responsibility.

The illustration below highlights material risk exposures of the Group and the respective Board and Executive Management committees responsible for oversight and risk control.

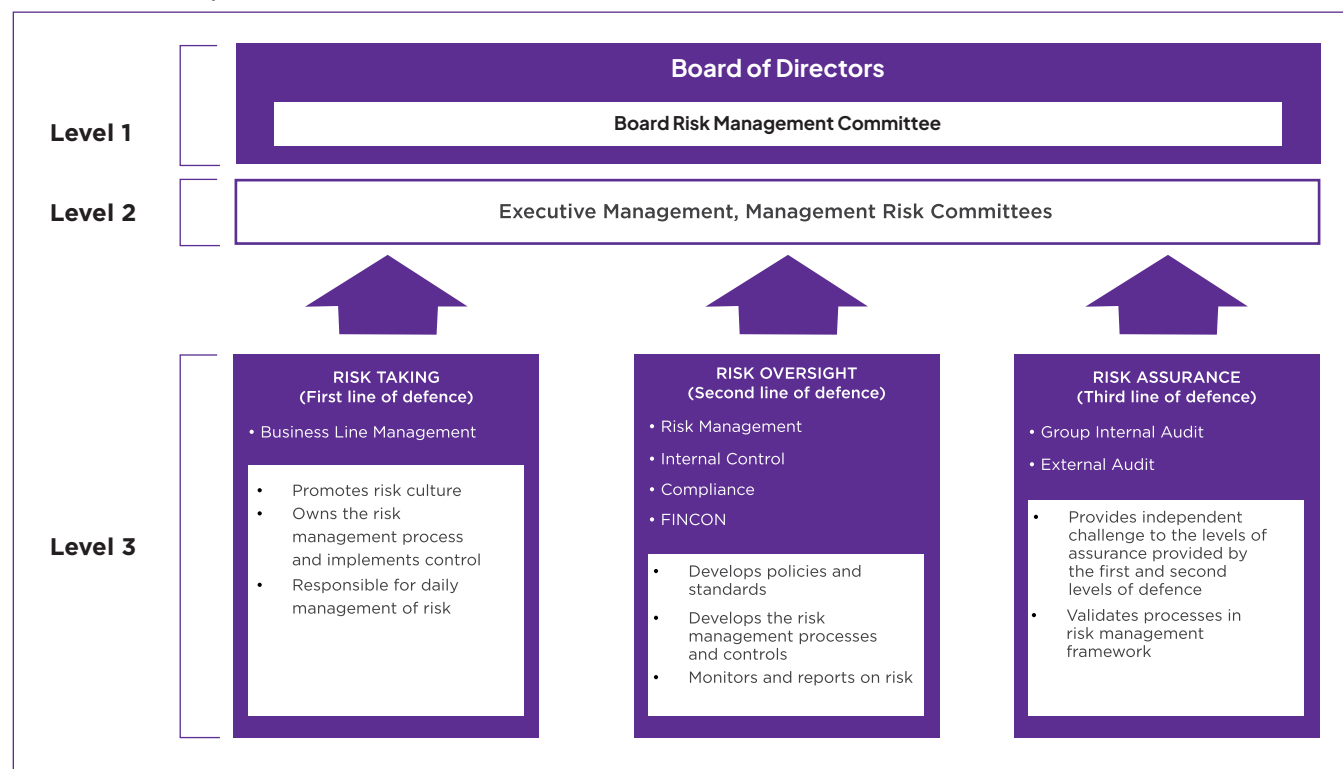
Enterprise Risk Universe and Governance Structure.

FCMB Group Risk Universe and Responsibility Matrix										
Risk Universe	Credit Risk	Concentration Risk	Market Risk	Liquidity Risk	Operational Risk	Strategic Risk	Information / Cyber Risk	Legal Risk	Reputational Risk	Compliance Risk
Primary Risk Owner	Chief Risk Officer	Chief Risk Officer	Treasurer	Treasurer	Head of Operation	Head of Strategy	Chief Information Security Officer	General Counsel	Head of Corporate Affairs	Compliance Officer
Secondary Risk Owner	Chief Risk Officer									Group Chief Compliance Officer
Management Committee	Management Credit Committee		Asset and Liability Management Committee		Risk Management Committee		Information Security Steering Committee		Executive Management Committee	
	Risk Management Committee									
Board Committee	Board Credit Committee		Board Risk Management Committee							
	Board of Directors									

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Details of the Group's three-line defence mechanism is described below:



A three lines of defence system is in place for the management of enterprise risks as follows:

- (i) **Risk taking:** the Board of Directors, supported by Executive Management, establishes boundaries within which the Group takes risks. They also establish an appropriate control environment, in order to align risk taking and management with business objectives. The business lines and process owners take risks and have the primary responsibility for identifying and managing such risks.
- (ii) **Risk oversight:** independent control function over the business processes and related risks to ensure that business and process owners operate within defined appetite and approved policies and procedures. It is provided by functions such as risk management, internal control, compliance, and finance.

These departments develop policies and procedures, risk management processes and controls, monitor and report on risks accordingly for prompt decision making. The Board of Directors also plays risk oversight role. Board Risk Management Committee has oversight

responsibility for all the risk exposures in the Group while the Board Credit Committee (BCC) is responsible for the various credit risk exposures.

- (iii) **Risk assurance:** independent assurance to the Board of Directors on the effective implementation of the risk management framework and validates the risk measurement processes. There are two complementary parts to this – the internal and external audit functions. The Board Risk Management Committee is also responsible for this independent assurance and assisted in its function by the internal and external auditors.

First line of defence

(a) Board level

- I. **The Board of Directors** sets the appetite for risk and ensures that senior management and individuals responsible for managing risks possess sound expertise and knowledge to undertake risk management functions within the Group. The Board of directors approve risk management policies and also has responsibility for approval of certain credit transactions that are above the approval limits of the Board Credit Committee.

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- II. The Board Risk Management Committee (BRMC),** supported by the subsidiaries' risk committees, provides direct oversight for enterprise risk management and acts on behalf of the Board on all risk management matters. The BRMC ensures that all the decisions of the Board on risk management are fully implemented and that risk exposures are in line with agreed risk appetite. The committee also reviews the enterprise risk management framework on a periodic basis to ensure its appropriateness and continued usefulness in line with the size and complexity of the exposure of the Group to risk, and compliance with regulatory requirements. The BRMC is also responsible for assessing the adequacy and scope of internal controls, audit of the financial statements and overall compliance. The Committee meets every quarter.
- III. The Board Credit Committee's (BCC) function** is more transactional. It approves amendments to the Group's credit policy, changes in target market or risk acceptance criteria, large exposure requests within pre-defined limits, exceptional approvals where necessary, specific provisions, credit write-offs and remedial/corrective measures. The BCC also reviews the credit portfolio to ensure that portfolio risk exposures such as correlation risk, concentration risk, cyclical of collateral values and any reputational and contagion effects are reasonably managed.
- IV. The Board Investment Committee (BIC)** has oversight responsibility on investment related matters. The committee was established to determine, implement and review the investment strategy to deliver the Group's investment objectives. It acts on behalf of the board to review and approve investment policies. It is responsible for the monitoring and evaluating investment performance and assessing the portfolio risk.

(b) Executive management level

- I. The Risk Management Committee (RMC)** is a management committee, which reports to the Board Risk Management Committee and has direct responsibility for implementing the enterprise risk management framework and related policies approved by the BRMC. The RMC meets on a periodic basis (monthly) to review all risk exposures (including key risk

indicators (KRI), credit portfolio reports, market risk exposures, etc.) and recommends risk mitigating strategies/ actions. The RMC is also responsible for portfolio planning, capital management, review and management of external issues and policies affecting the business of the Group and oversight of all enterprise risk management initiatives.

- II. The Management Credit Committee (MCC)** appraises and approves loans and other credit related transactions as stated in the Group's credit policy. The committee endorses the credit policy and ensures full compliance with the Board approved credit policy. The MCC reviews and considers credit requests above the delegated approval authority of the approving authorities for approval. The committee also reviews and manages portfolio risk in order for the credit portfolio to remain healthy and in compliance with the Board approved appetite and all regulatory requirements.
- III. The Asset and Liability Committee (ALCO)** is responsible for managing the composition and pricing of the assets and liabilities, making policy decisions, and providing direction/oversight for market and liquidity risk management practices.

(c) Business unit management level

- I. Business Unit Management**, as a risk originator, has first line responsibility for, and ownership of risks. The business units take on risks within set boundaries and manage the risks taken on a day to day basis to protect the Group from the risk of loss.
- II. Each business unit** has a dedicated Operational Risk Committee responsible for reviewing critical and significant risks and recommending appropriate remedial measures. The Committee reviews the outcome of risk and control self assessment (RCSA) for their respective business units, major risk exposures as measured by their key risk indicators (KRI)/key control Indicators (KCI), agrees action plans and assigns responsibilities for resolving identified issues and exposures.

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Second line of defence

Risk management is an independent control function with primary responsibility for the following:

- **Risk strategy** – Development of the risk management strategy in alignment with overall growth and business strategy of the Group.
- **Risk Compliance** – Monitoring and reporting compliance with risk strategy, risk appetite at enterprise and business unit levels.
- **Risk Advisory** – Identification, measurement, management and disclosure of all significant risk exposures and providing recommendations/guidance on risk taking and exposures.
- **Risk Control** – Proactive management of all risks to minimize losses and capital erosion. The Group could take various control measures to address identified risk exposures such as follows.
 - (i) **Risk Avoidance:** The Group could make decisions that will attempt to isolate it from further contact with such risks. The decision could affect a new or existing strategy, product or business. Some examples of risk avoidance include opting not to expand its branches, refusing to lend to a customer because of poor understanding of the business or industry and/or closing/relocating a branch because of high incidence of armed robbery or other operational losses. Risk avoidance could be a proactive avoidance (not going into the activity in the first place) or abandonment (dropping the activity after embarking on it).
 - (ii) **Risk Acceptance:** The Group will acknowledge the risk. However, it will not take any measures to halt the likelihood of such a situation occurring or to minimize the risk associated with it. The Group shall adopt this approach where certain risks remain outstanding after avoidance, transfer or mitigation responses have been taken or where the risks in question are minor or unavoidable and any response is not likely to be cost-effective compared to the possible cost of bearing the risk impact.
 - (iii) **Risk Mitigation:** The Group will acknowledge the risk and take steps to reduce the risk likelihood and/or impact. Some of the steps that can be taken to mitigate the

impact or likelihood of a risk occurring includes:

- Formulation of policy or enhancement
- Clarity and strengthening of accountabilities
- Improvement of processes
- Strengthening/Implementation of new controls
- Education and training program
- Expert advice

The mitigation steps may be Directive, Preventative, Detective or Corrective Controls. Detective control entails monitoring of the activities that can lead to the incident in order to detect any early warning signal and respond to it in time.

- (iv) **Risk Transfer:** The Group will try to shift the responsibility and financial burden of loss from its shoulders to third-parties. Some common practices involved in risk transfer include insurance contract, performance bonds, guarantees, warranties and outsourcing. The relevant business unit will, however, include the new risks arising from these arrangements, such as service level performance and contract management, in its risk universe.
- (v) **Risk Sharing:** The Group will share the risk with another party in order to reduce any possible loss. Examples include loan syndication and joint-venture arrangement, among others.

The Internal Control and Compliance teams work hand-in-hand. Internal control is directly responsible for enforcing and confirming compliance with group-wide policies, procedures and internal controls. It conducts routine control checks across all businesses and processes.

The Compliance team ensures the Group fully complies with all regulatory requirements such as KYC, Anti-Money Laundering (AML) regulations and indeed all requirements of the Central Bank of Nigeria (CBN) and other regulatory authorities such as Nigeria Data Protection Commission (NDPC), Nigerian Deposit Insurance Corporation (NDIC), among others.

(a) The Risk Management Division

The Risk Management Division is a major line of defence in the management of risks in the Group and its subsidiaries. The division assists executive management with the identification,

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assessment, management, monitoring and reporting of all the risks within the Group. It recommends appropriate risk management polices for the consideration and approval of the Board through the various executive risk management committees, and coordinates the Group's ERM activities. Key responsibilities of the division include:

- a) champion the implementation of the enterprise risk management framework, (including specific risk management frameworks and policies) and other related initiatives across the Group and its subsidiaries;
- b) facilitate the identification, assessment, monitoring, management and reporting of risk exposures in the Group and its subsidiaries;
- c) collect, process, verify, monitor and distribute risk information across the Group, including to the senior management, the Board, regulators and other stakeholders;
- d) collaborate with market facing units in designing new products;
- e) provide senior management with practical, cost effective recommendations for mitigating risks;
- f) act as a key contact for senior management who may wish to request ad hoc reviews and investigations;
- g) ensure that laws, regulations and supervisory requirements are complied with including consequence management;
- h) provide holistic view of risks across the Group and its subsidiaries;
- i) maintain oversight over the Group's enterprise risk management activities; coordinate material risk assessment and link the results of the exercise with the internal capital adequacy assessment process (ICAAP);
- j) ensure all risk models utilised for the measurement of risk across the Group are properly validated using an appropriate methodology;
- k) oversee the conduct of stress testing and scenario analysis and evaluate the impact of stress scenarios on the capital ratios;
- l) coordinates with Financial Control regarding the Group's capital management policies;

- m) make recommendations with respect to capital allocation, pricing and reward/ sanctions based on risk reports; and
- n) Provide and promote risk awareness and education on risk.

The Risk Management Division of the Group serves as competency center and internal consultant in risk management methodology.

The Group also has a robust Collection and Recovery team which reports to the Business, with dotted reporting line to Risk Management. The department compliments the post-disbursement monitoring responsibilities through effective enforcement of credit covenants and approval terms.

(b) Compliance & Internal Control Division

The Internal Control Division is primarily charged with the following:

- Internal control is directly responsible for enforcing and confirming compliance with group-wide policies, procedures and internal controls. It conducts routine control checks across all businesses and processes. It is responsible for effective and efficient control environment that ensures minimal operational losses from frauds, errors, operational gaps, and other irregularities. It monitors control activities and ensure compliance with minimum control standards defined by the Board. The Internal Control works hand-in hand with the Compliance team.
- The Compliance team ensures the Group fully complies with the spirit and letter of laws, corporate governance standards, all regulatory requirements such as Know Your Customer (KYC), Anti-Money Laundering (AML) regulations and indeed all requirements of the Central Bank of Nigeria (CBN) and other authorities such as Nigerian Deposit Insurance Corporation (NDIC), Securities and Exchange Commission (SEC), The Nigeria Exchange Ltd (NGX), National Pension Commission (PenCom), Nigeria Data Protection Commission (NDPC), among others.

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(c) Group Finance Division

Group Finance Division develops the Group's strategic and capital plan and clearly outlines the actual and projected capital needs, anticipated capital expenditure and desired level of capital.

It reviews the Group's capital structure and ensures the desired level of capital adequacy in the Group.

It drives all activities relating to the Group's responses to any proposed regulatory change that might affect the Group's capital and provides all necessary information on portfolio, product and profitability metrics and any analysis to support the material risk assessment process.

Third line of defence

(a) Internal audit

Group Internal Audit provides independent assessment of the adequacy of, and compliance with, the Group's established policies and procedures. The function is responsible, amongst others, for monitoring compliance with the enterprise risk management framework, and validating the adequacy and efficacy of risk assessment systems (including rating and measurement models).

(b) External audit

External Auditors, apart from establishing whether the financial statements reflect a true and fair view of the Group's financial performance and position, also have an important impact on the quality of internal controls through their audit activities and recommendations for improvement of internal controls. Our external auditors have been helpful in providing guidance on new developments in risk management, corporate governance and financial accounting and controls.

The Board Audit Committee (BAC) also serves as part of the independent assurance group, assisted in its role by the internal and external auditors.

Risk appetite

Risk appetite is an expression of the level and type of risks the Group is willing to accept and retain for a given risk-reward ratio in order to achieve its strategic goals. In FCMB, risk appetite is set by the Board of Directors and enforced by the Risk Management Division.

It is a key component of the risk management framework and central to the annual planning process. This appetite guides all risk exposures of the Group - management risks (strategic and reputational risks), chosen risks such as credit and market risks and risks inadvertently assumed by the Group (consequential risks such as operational risks).

The Group has a well developed risk appetite, prepared to establish a common understanding amongst all employees and other stakeholders regarding the desirable risks underlying execution of its strategy. It represents the combined view of the FCMB leadership and the governance bodies. The risk appetite is not intended to "handcuff" management but to become a benchmark for discussing the implications of pursuing value creation opportunities as they arise. It therefore defines boundary within which the Group is expected to operate when pursuing its strategy by aligning risk and decision-making. It provides a cornerstone for the Group's Enterprise Risk Management Framework, setting a clear strategic direction and tolerances around controls.

FCMB General Risk Appetite Statement

"FCMB as a financial service Group is exposed to a variety of risks as it strives to achieve its strategic objectives. These risks will be managed in accordance with the Group's Enterprise Risk Management (ERM) Framework and related policies. The Group's general risk appetite is a moderate one that allows us to maintain appropriate growth, profitability, earnings stability and capital adequacy while ensuring regulatory compliance, being an employer of choice, and serving the communities in our footprint".

Apart from the General Risk Appetite Statement, the Group also has specific risk appetite statements defined around its strategic objectives, with defined metrics to track them. This is to ensure that the specific risk appetite statements are in sync with the business strategy of the Group.

The Group has a detailed risk appetite framework, which also defines risk appetite around major strategic business units (Personal Banking; SMEs; Commercial Banking; Corporate Banking; Public Sector; Investment Banking and Investment Management). In addition, risk metrics are also defined around material risk areas such as:

- Profitability
- Credit and Concentration Risk

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- Market and Liquidity Risk
- Operational Risk
- Legal Risk
- Cyber Security Risk
- Regulatory Risk
- Reputational Risk

Benefit of FCMB Risk Appetite Framework and Statements:

- Sets the foundation for the risk culture of the Group
- Helps to communicate the Board's vision in practical terms
- Guides all staff in their decision-making on all risk related activities
- Helps to ensure an alignment between the expectations of the Board and the business
- Serves as a benchmark for monitoring and reporting of abnormal events or exposures.

In FCMB, all risk appetite metrics are tracked and reported monthly to the Risk Management Committee (RMC) to aid its oversight responsibilities. The Risk Management Division monitors the risk metrics on a more regular basis to make certain that risk exposures are within the approved boundaries. Exposures that are outside of set boundaries are investigated to understand the underlying causes and consider ways to mitigate or avoid them within the shortest possible period.

The Group's risk appetite is reviewed at least once a year or more frequently as may be required in the event of significant/material changes in its strategy or in line with regulatory requirements or other external demands.

(b) Credit Risk

Credit risk is the risk that the Group may not be able to recover funds and suffer losses because a customer or counterparty is unable or unwilling to meet contractual obligations to the Group as and when due. It is the most significant risk to the Group.

The Group takes on credit risk through the following principal activities:

- **Lending / Leasing:** The Group grants credit to its customers (loans, advances, temporary overdraft etc.) or finances a lease or grants an advance or a loan to its employees (staff loan, cash advance, etc.)

- **Group Guarantees:** The Group issues bonds and guarantees (contingent exposure)
- **Trading (fixed income, foreign currency trading, etc.) activities:** The Group engages in trading activities where the exchange of monetary value and transfer of ownership of purchased assets is not simultaneous. There is counterparty risk, which creates a bilateral risk of loss.

The Group uses its internal ratings system to assess the risk of default (probability that a customer will become 90 days past due on an obligation) and the risk of loss in the event of default (the estimated size of loss the Group will incur in the event of a default). The Group's credit risk rating systems and processes differentiate exposures in order to highlight those with greater risk factors and higher potential severity of loss. This provides predictive capability for assessing borrower's likelihood of default and the acceptable risk mitigants required to cushion residual credit risks for each transaction.

Our ratings framework measures the following key components:

- **Financial Factors:** Sales terms/conditions, Strength of Operations, Liquidity and Capital in addition to Debt Service Capacity
- **Industry:** Structure, Performance, Economic Sensitivity and Outlook
- **Management Quality (Ownership Experience, Skills and Turnover) and Company Standing (Reputation, Ownership and Credit History)**
- **Security/Collateral arrangements, Seniority of debt, Ability to cancel debt at the point of default and Loss Given Default (LGD) computation for each security/collateral type supporting the exposure**

The above components help the Group to establish the following:

Obligor Risk Rating (ORR), mapped to an estimated probability default (PD). The PD validation is done internally to ensure the rating continues to be predictive of default and differentiates borrowers based on their ability to service their obligations. This will be further reinforced with a rating validation/back testing.

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Facility Risk Rating (FRR) for each transaction is mapped to Basel II Loss Given Defaults (LGDs) grades.

Both the ORR and FRR produce the Expected Loss % (EL) which is the product of the PD and LGD. i.e. $EL = f(PD, LDG)$. The EL represents the risk premium which is useful for transaction pricing under the Risk-Based pricing.

The use of internal ratings system is strategic for the Group. The internal ratings system will ultimately be used for capital computation under the Internal Ratings Based Approach - Foundation IRB and Advanced IRB and the allocation of capital/computation of economic profit across business lines based on Basel II principles.

The Group's internal rating scale and mapping to external ratings as at 31 December 2025 / 31 December 2024

Internal Rating Scale	Description	External Rating Scale (MOODY'S)	External Rating Scale (FITCH and S&P)
AAA	Investment grade	Aaa	AAA
AA		Aa1	AA+
AA-		Aa2	AA
A+		Aa3	AA-
A		A1	A+
A-		A2	A
BBB+		A3	A-
BBB		Baa1 / Baa2	BBB+/BBB
BBB-	Permissible grade	Baa3 / Ba1	BBB-/BB+
BB+		Ba2	BB
BB		Ba3	BB-
BB-		B1	B+
CCC+		B2	B
CCC		B3	B-
CCC-		B3	B-
CC+		Speculative grade	Caa1
CC	Caa2		CCC
CC-	Caa2		CCC
C+	Caa3		CCC-
C	Caa3		CCC-
C-	Lower speculative grade	D	NA

Rating description

Rating grade	Description	Characteristics
Investment grade	Obligor's capacity to meet its financial commitment on its obligation is extremely strong.	<ul style="list-style-type: none"> - Very low default risk. - Minimal susceptibility to economic conditions and changes in circumstances
Permissible grade	Indicate that the borrower in this have the capacity to meet financial obligations, but with grade below the investment grade.	<ul style="list-style-type: none"> - Moderate credit risk profile - Elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time - Business or financial flexibility exists which supports the servicing of financial commitments.
Speculative grade	Indicate that the borrower is less likely to be able to pay back its financial obligations than a borrower with a permissible and investment-grade rating.	<ul style="list-style-type: none"> - High credit risk profile - Obligor will likely have some quality and protective characteristics, but these may be outweighed by large uncertainties or major exposures to adverse conditions. - Vulnerable to adverse business, financial and economic conditions but currently has the capacity to meet financial commitments
Lower speculative grade	Indicate that the likelihood of the borrower in meeting its financial obligation is strongly in doubt.	<ul style="list-style-type: none"> - Very high credit risk profile - Highly vulnerable to non-payment, and ultimate recovery is expected to be lower than that of higher rated obligations

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Management of credit risk

The Group manages its credit risk through an appropriate assessment, management and reporting process, underpinned by sound credit risk systems, policies and well qualified personnel. A combination of risk management tools and policies is adopted to stimulate the creation of quality risk assets. It is managed centrally by various departments within the Risk Management Division which have responsibilities for policy setting and review, credit underwriting, approval, credit administration, monitoring and portfolio management

The credit risk management function of the group, which rides on a sound credit culture is achieved through a combination of the following:

- **Appropriate credit policies:** the Group develops appropriate risk management policies in conjunction with the business units and other stakeholders, covering all the key areas of credit origination, management, collection, portfolio management, etc. whilst also ensuring compliance with all regulatory requirements. The credit policies reinforce all the Group's lending and credit management decisions. The credit risk policies are reviewed periodically to ensure they remain relevant and robust enough to address existing and emerging credit risk exposures.
- **Lending driven by internal rating system:** the Group's lending and policy enforcement is driven by an internal rating system, with scorecards built for different classes of customers such as corporate, commercial, small and medium enterprises (SME), public sector, retail, etc. The rating of obligors and transactions has been useful in the quantification of credit risk and underwriting decision, including serving as a guide for pricing, portfolio management and computation of required capital to support the different business lines.
- **Establishment of credit approval limits and authorities:** there are various approval limits for different kinds of credit exposures and approval authorities, including the risk committees such as the Management Credit Committee (MCC), the Board Credit Committee (BCC) and the full Board. These limits are also guided by statutory impositions such as the single obligor limit and other concentration limits set by the Central Bank of Nigeria

(CBN). The Group's single obligor limit is benchmarked to the regulatory cap of 20% of shareholder's funds unimpaired by losses. The sector limits are set based on the perceived riskiness of each sector but the Government exposures are capped at the regulatory limit of 10% of total loans.

In response to observed market realities and in order to enhance corporate governance, improve credit culture, tighten risk acceptance criteria (RAC) and strengthen credit approval and management process, the Group revised its credit policy. The revised credit policy, with the RAC, which reflects the Group's risk appetite aids underwriting decisions, improve turnaround time and quality of the credit portfolio.

In order to further strengthen its credit process, the Group has differentiated the approval route for its corporate and commercial credits from retail credits. Credit approval for each area is supervised by well experienced personnel referred to as Senior Credit Underwriters who also function as Senior Credit Officers and are members of the Management Credit Committee.

- **Loan monitoring and reviews:** the various loans are monitored both at transaction and portfolio levels to ensure a balanced and healthy portfolio in line with the portfolio development and balancing strategy of the Group.
- **Collateral review, monitoring and management:** the Legal department reviews the collaterals proposed by customers as part of the credit approval process to determine acceptability of the collaterals. Beyond the initial assessment at the point of credit origination, the Group also has a good collateral management review process in place in order to reduce the risk of loss in the event of default. Our collateral management practices have helped to reduce the estimated expected loss and capital charge on transactions. Collateral management in the Group includes periodic evaluation of coverage for each facility type; mark-to-market for stocks and commodities, revaluation benchmark for properties and acceptable standards for eligibility on all forms of collateral.

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The principal collateral types eligible as security and used primarily to mitigate transaction risk include the following: cash and marketable securities; legal mortgage; all assets debenture; account receivables of highly rated obligors. Other admissible collateral (accepted for comfort only but not eligible as credit risk mitigants) include domiciliation agreements, trust receipts and negative pledges.

Another mitigant used to reduce the risk of credit exposures is master netting agreements with obligors that have investments in liability products so that in the event of default, exposures to the obligor will be settled on a net basis. These agreements are executed by the representatives of the obligor and are generally enforceable with no further recourse to the obligor or a third party.

Generally, all the contingent liabilities are also supported by tangible collaterals or a charge over the underlying goods depending on the assessment of the performance risks.

- **Limit concentrations for various exposures:** the Group complies with the concentration policy of the CBN as specified in the prudential guidelines and is even more prudent, having internal limits that are more stringent in some cases than specified by the apex regulatory authority. The limit concentration policy of the Group covers all forms of exposures such as customers, large exposures, counterparties, collateral, geography, sector, products, rating band and facility type among others.
- **Developing and maintaining the Group's process for measuring expected credit loss (ECL):** This includes processes for:
 - Initial approval, regular validation and back-testing of the models used; and
 - Incorporation of forward-looking information.
- **Reviewing compliance of business units:** with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports on the credit quality of local portfolios are provided, which may require appropriate corrective action to be taken. These include reports containing estimates of ECL allowances.
- **Reporting:** An important part of the group's risk management framework is reporting to ensure that all vital information are brought to the attention of stakeholders,

appropriate decisions are taken to further improve the risk culture and ultimately ensure all identified issues are brought within the Board approved risk appetite. This internal reporting has imposed discipline within the Group, thereby improving its risk management culture. Monitoring and reporting looks at specific transactions that are challenged or vulnerable as well the entire portfolio.

In line with the Group's three lines defence mechanism, each of the business units has primary responsibility for managing the credit relationships with customers, hence responsible for the quality and performance of their credit portfolio. Risk management however continues to provide oversight for the entire credit portfolio and all credit relationships whilst ensuring that the businesses operate within the approved framework and policies. The Risk Management Division is assisted in this role by Internal Control, which does a regular post disbursement check to ensure that credits booked comply with the approved policies and that they continue to operate within approved conditions and guidelines. The Internal Audit function provides independent assurance for the entire credit process of the Group.

Portfolio segmentation

Impairment approach under IFRS 9 requires the Group to segment its portfolio based on risk profiles. The Group has adopted a portfolio segmentation strategy that provides balance between homogeneity of characteristics and adequate population size to minimize volatility of extrapolations.

The table below contains the portfolio classification that achieved the balance sought by the Group and the description of the contents of each portfolio class. Portfolio classifications remain dynamic and will vary in line with management's view of the Group's risk and risk appetite.

(i) Consumer facilities portfolio

- Consumer facilities, large in count but low value loans.
- These are salary based loans for customers, whose salaries are domiciled in the bank.
- Portfolio is broken down into Asset backed and Non-asset backed loans.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(ii) Corporate facilities portfolio

- Large Corporates and financial institutions facilities.
- Customers with strong corporate governance and reliable audited financial statements.
- Customer's information is obtained through periodic review of individual customer's audited financial statement, management account, budget and projections. Data from credit reference and credit ratings are also available

(iii) SME facilities portfolio

- Small and Medium enterprises.
- Corporate governance is considered weak, financials are not reliable.
- Customers in this class are easily affected by macro-economic shocks

(iv) Public sector facility portfolio

- Facilities to government entities
- High political risk and repayment is dependent on government funding.

(v) Employee loans portfolio

- Facilities granted to staff of the bank.
- Full visibility of repayment source being staff salary.
- Concessionary interest rate.

The following table sets out information about the credit quality of financial assets measured at amortised cost, fair value through other comprehensive income debt instruments. Unless, specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively. explanation of the terms: stage 1 (12month ECL), stage 2 (lifetime ECL) and stage 3 (credit impaired) are included in Note 3(k)(vii).

The drop in the ECL, especially Consumer portfolio and year on year for stage instruments even when the outstanding amount increased was due to increase in cash recoverable because of the PD and LGD.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Exposure to Credit Risk

GROUP

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2025			
		Stage 1	Stage 2	Stage 3	Total
Consumer facilities portfolio					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35–99.99	449,008,238	3,281,897	5,803,601	458,093,736
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		449,008,238	3,281,897	5,803,601	458,093,736
Loss allowance		(7,572,403)	(662,435)	(4,223,864)	(12,458,702)
Carrying amount		441,435,835	2,619,462	1,579,737	445,635,034
Corporate facilities portfolio					
Investment grade	0.00 – 0.59	400,550,341	-	641,047.00	401,191,388
Permissible grade	0.60 – 11.34	566,734,027	75,270,921	16,229,412	658,234,360
Speculative grade	11.35–99.99	225,901,312	113,625,237	29,944,504	369,471,053
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		1,193,185,680	188,896,158	46,814,963	1,428,896,801
Loss allowance		(23,908,238)	(9,790,351)	(14,906,896)	(48,605,485)
Carrying amount		1,169,277,442	179,105,807	31,908,067	1,380,291,316
SME facilities portfolio					
Investment grade	0.00 – 0.59	1,845,259	908,397.00	-	2,753,656
Permissible grade	0.60 – 11.34	140,952,122	31,371,468	13,860,401	186,183,991
Speculative grade	11.35–99.99	251,367,670	55,894,500	51,835,877	359,098,047
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		394,165,051	88,174,365	65,696,278	548,035,694
Loss allowance		(7,454,050)	(8,048,227)	(31,550,327)	(47,052,604)
Carrying amount		386,711,001	80,126,138	34,145,951	500,983,090
Public sector facility portfolio					
Investment grade	0.00 – 0.59	3,438,088	-	-	3,438,088
Permissible grade	0.60 – 11.34	29,032,435	-	-	29,032,435
Speculative grade	11.35–99.99	6	2,072,907	-	2,072,913
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		32,470,529	2,072,907.00	-	34,543,436
Loss allowance		(6)	(346,505)	-	(346,511)
Carrying amount		32,470,523	1,726,402.00	-	34,196,925
Employee loans portfolio					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35–99.99	5,579,810	10,730	309,979	5,900,519
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		5,579,810	10,730	309,979	5,900,519
Loss allowance		(1,054,343)	(2,696)	(263,472)	(1,320,511)
Carrying amount		4,525,467	8,034	46,507	4,580,008
Gross carrying amount		2,074,409,308	282,436,057	118,624,821	2,475,470,186
Loss allowance		(39,989,040)	(18,850,214)	(50,944,559)	(109,783,813)
Carrying amount		2,034,420,268	263,585,843	67,680,262	2,365,686,373

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Exposure to Credit Risk

GROUP

In thousands of Naira	12-month PD ranges	31 DEC 2024			
		Stage 1	Stage 2	Stage 3	Total
Consumer facilities portfolio					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35–99.99	196,486,160	3,784,389	2,273,174	202,543,723
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		196,486,160	3,784,389	2,273,174	202,543,723
Loss allowance		(4,658,690)	(366,497)	(1,370,585)	(6,395,772)
Carrying amount		191,827,470	3,417,892	902,589	196,147,951
Corporate facilities portfolio					
Investment grade	0.00 – 0.59	181,527,033	-	-	181,527,033
Permissible grade	0.60 – 11.34	671,963,835	93,683,138	153,912,220	919,559,193
Speculative grade	11.35–99.99	263,396,802	368,731,389	50,783,094	682,911,285
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		1,116,887,670	462,414,527	204,695,314	1,783,997,511
Loss allowance		(15,367,872)	(36,741,240)	(43,580,457)	(95,689,569)
Carrying amount		1,101,519,798	425,673,287	161,114,857	1,688,307,942
SME facilities portfolio					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	103,264,077	21,264,148	10,147	124,538,372
Speculative grade	11.35–99.99	243,381,387	52,560,051	30,320,773	326,262,211
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		346,645,464	73,824,199	30,330,920	450,800,583
Loss allowance		(7,791,547)	(2,281,887)	(14,860,351)	(24,933,785)
Carrying amount		338,853,917	71,542,312	15,470,569	425,866,798
Public sector facility portfolio					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	38,699,051	-	-	38,699,051
Speculative grade	11.35–99.99	991,532	2,450,840	416,605	3,858,977
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		39,690,583	2,450,840	416,605	42,558,028
Loss allowance		(37,434)	(19,093)	(366,129)	(422,656)
Carrying amount		39,653,149	2,431,747	50,476	42,135,372
Employee loans portfolio					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35–99.99	4,798,780	626,685	81,893	5,507,358
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		4,798,780	626,685	81,893	5,507,358
Loss allowance		(275,153)	(29,213)	(27,753)	(332,119)
Carrying amount		4,523,627	597,472	54,140	5,175,239
Gross carrying amount		1,704,508,657	543,100,640	237,797,906	2,485,407,203
Loss allowance		(28,130,696)	(39,437,930)	(60,205,275)	127,773,901
Carrying amount		1,676,377,961	503,662,710	177,592,631	2,357,633,302

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Credit risk exposure relating to loan commitments and financial guarantee contracts.

GROUP

<i>In thousands of Naira</i>	31 DEC 2025			
	Stage 1	Stage 2	Stage 3	Total
Performance bonds and guarantees	618,334,206	-	-	618,334,206
Clean line letters of credit	209,103,435	-	-	209,103,435
Loan commitments	2,623,450	-	-	2,623,450
Other commitments	26,550	-	-	26,550
Gross carrying amount	830,087,641	-	-	830,087,641
Loss allowance	(782,255)	-	-	(782,255)
Net amount	829,305,386	-	-	829,305,386

<i>In thousands of Naira</i>	31 DEC 2024			
	Stage 1	Stage 2	Stage 3	Total
Performance bonds and guarantees	471,245,217	-	-	471,245,217
Clean line letters of credit	234,849,922	-	-	234,849,922
Loan commitments	3,146,449	-	-	3,146,449
Other commitments	32,010	-	-	32,010
Gross carrying amount	709,273,598	-	-	709,273,598
Loss allowance	(727,310)	-	-	(727,310)
Net amount	708,546,288	-	-	708,546,288

Credit risk exposure relating to other financial assets

GROUP

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2025			
		Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents					
Investment grade	0.00 – 0.59	80,085,924	-	-	80,085,924
Permissible grade	0.60 – 11.34	1,219,002,646	-	-	1,219,002,646
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		1,299,088,570	-	-	1,299,088,570
Loss allowance		(167,849)	-	-	(167,849)
Carrying amount		1,298,920,721	-	-	1,298,920,721
Restricted reserve deposits					
Investment grade	0.00 – 0.59	1,198,149,879	-	-	1,198,149,879
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		1,198,149,879	-	-	1,198,149,879
Loss allowance		-	-	-	-
Carrying amount		1,198,149,879	-	-	1,198,149,879
Non-pledged trading assets					
Investment grade	0.00 – 0.59	439,720,734	-	-	439,720,734
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		439,720,734	-	-	439,720,734
Loss allowance		-	-	-	-
Carrying amount		439,720,734	-	-	439,720,734

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Credit risk exposure relating to other financial assets

GROUP

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2024			
		Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents					
Investment grade	0.00 – 0.59	7,259,998	-	-	7,259,998
Permissible grade	0.60 – 11.34	788,145,038	-	-	788,145,038
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		795,405,036	-	-	795,405,036
Loss allowance		(18,017)	-	-	(18,017)
Carrying amount		795,387,019	-	-	795,387,019
Restricted reserve deposits					
Investment grade	0.00 – 0.59	1,441,465,091	-	-	1,441,465,091
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		1,441,465,091	-	-	1,441,465,091
Loss allowance		-	-	-	-
Carrying amount		1,441,465,091	-	-	1,441,465,091
Non-pledged trading assets					
Investment grade	0.00 – 0.59	319,109,270	-	-	319,109,270
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		319,109,270	-	-	319,109,270
Loss allowance		-	-	-	-
Carrying amount		319,109,270	-	-	319,109,270

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FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2025			
		Stage 1	Stage 2	Stage 3	Total
Assets pledged as collateral					
Investment grade	0.00 – 0.59	104,900,576	-	-	104,900,576
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		104,900,576	-	-	104,900,576
Loss allowance	-	-	-	-	-
Carrying amount		104,900,576	-	-	104,900,576
Investment securities at amortised cost					
Investment grade	0.00 – 0.59	1,273,065,066	-	-	1,273,065,066
Permissible grade	0.60 – 11.34	20,028,268	-	6,339,724	26,367,992
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		1,293,093,334	-	6,339,724	1,299,433,058
Loss allowance	-	(3,529,001)	-	(6,339,724)	(9,868,725)
Carrying amount		1,289,564,333	-	-	1,289,564,333
Investment securities at FVOCI – debt instruments					
Investment grade	0.00 – 0.59	626,266,506	-	-	626,266,506
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		626,266,506	-	-	626,266,506
Loss allowance	-	-	-	-	-
Carrying amount		626,266,506	-	-	626,266,506
Investment securities at FVOCI – unquoted equity investments					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Unrated	-	119,504,371	-	-	119,504,371
Gross carrying amount		119,504,371	-	-	119,504,371
Loss allowance	-	-	-	-	-
Carrying amount		119,504,371	-	-	119,504,371
Other financial assets					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 – 11.34	-	-	-	-
Speculative grade	11.35 – 99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Unrated	-	54,951,129	13,817,672	42,288,275	111,057,076
Gross carrying amount		54,951,129	13,817,672	42,288,275	111,057,076
Loss allowance	-	(20,559,489)	(7,000,605)	(42,288,275)	(69,848,369)
Carrying amount		34,391,640	6,817,067	-	41,208,707

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GROUP

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2024			
		Stage 1	Stage 2	Stage 3	Total
Assets pledged as collateral					
Investment grade	0.00 - 0.59	401,703,741	-	-	401,703,741
Permissible grade	0.60 -11.34	-	-	-	-
Speculative grade	11.35-99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		401,703,741	-	-	401,703,741
Loss allowance		-	-	-	-
Carrying amount		401,703,741	-	-	401,703,741
Investment securities at amortised cost					
Investment grade	0.00 - 0.59	683,422,490	-	-	683,422,490
Permissible grade	0.60 -11.34	19,208,307	-	7,370,067	26,578,374
Speculative grade	11.35-99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		702,630,797	-	7,370,067	710,000,864
Loss allowance		(6,266,991)	-	(7,370,067)	(13,637,058)
Carrying amount		696,363,806	-	-	696,363,806
Investment securities at FVOCI - debt instruments					
Investment grade	0.00 - 0.59	382,985,387	-	-	382,985,387
Permissible grade	0.60 -11.34	-	-	-	-
Speculative grade	11.35-99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		382,985,387	-	-	382,985,387
Loss allowance		-	-	-	-
Carrying amount		382,985,387	-	-	382,985,387
Investment securities at FVOCI - quoted equity investments					
Investment grade	0.00 - 0.59	108,925	-	-	108,925
Permissible grade	0.60 -11.34	-	-	-	-
Speculative grade	11.35-99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		108,925	-	-	108,925
Loss allowance		-	-	-	-
Carrying amount		108,925	-	-	108,925
Investment securities at FVOCI - unquoted equity investments					
Investment grade	0.00 - 0.59	-	-	-	-
Permissible grade	0.60 -11.34	-	-	-	-
Speculative grade	11.35-99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Unrated	-	109,952,588	-	-	109,952,588
Gross carrying amount		109,952,588	-	-	109,952,588
Loss allowance		-	-	-	-
Carrying amount		109,952,588	-	-	109,952,588
Other financial assets					
Investment grade	0.00 - 0.59	-	-	-	-
Permissible grade	0.60 -11.34	-	-	-	-
Speculative grade	11.35-99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Unrated	-	415,641,433	15,817,672	55,991,983	487,451,088
Gross carrying amount		415,641,433	15,817,672	55,991,983	487,451,088
Loss allowance		(4,576,154)	(7,012,706)	(55,991,983)	(67,580,843)
Carrying amount		411,065,279	8,804,966	-	419,870,245

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2025			
		Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 –11.34	3,014,998	-	-	3,014,998
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		3,014,998	-	-	3,014,998
Loss allowance		-	-	-	-
Carrying amount		3,014,998	-	-	3,014,998
Investment securities at amortised cost					
Investment grade	0.00 – 0.59	21,006,283	-	-	21,006,283
Permissible grade	0.60 –11.34	14,395,871	-	-	14,395,871
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		35,402,154	-	-	35,402,154
Loss allowance		(575,348)	-	-	(575,348)
Carrying amount		34,826,806	-	-	34,826,806
Investment securities at FVOCI – debt instruments					
Investment grade	0.00 – 0.59	50,330,599	-	-	50,330,599
Permissible grade	0.60 –11.34	-	-	-	-
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		50,330,599	-	-	50,330,599
Loss allowance		-	-	-	-
Carrying amount		50,330,599	-	-	50,330,599

COMPANY

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2025			
		Stage 1	Stage 2	Stage 3	Total
Other financial assets					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 –11.34	-	-	-	-
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Unrated	-	26,194,374	-	-	26,194,374
Gross carrying amount		26,194,374	-	-	26,194,374
Loss allowance		(222,292)	-	-	(222,292)
Carrying amount		25,972,082	-	-	25,972,082

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY

<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2024			
		Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 –11.34	14,371,980	-	-	14,371,980
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		14,371,980	-	-	14,371,980
Loss allowance		-	-	-	-
Carrying amount		14,371,980	-	-	14,371,980
Investment securities at amortised cost					
Investment grade	0.00 – 0.59	10,507,965	-	-	10,507,965
Permissible grade	0.60 –11.34	13,036,894	-	-	13,036,894
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		23,544,859	-	-	23,544,859
Loss allowance		(399,068)	-	-	(399,068)
Carrying amount		23,145,791	-	-	23,145,791
Investment securities at FVOCI – debt instruments					
Investment grade	0.00 – 0.59	45,457,558	-	-	45,457,558
Permissible grade	0.60 –11.34	-	-	-	-
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Gross carrying amount		45,457,558	-	-	45,457,558
Loss allowance		-	-	-	-
Carrying amount		45,457,558	-	-	45,457,558
COMPANY					
<i>In thousands of Naira</i>	12-month PD ranges	31 DEC 2024			
		Stage 1	Stage 2	Stage 3	Total
Other financial assets					
Investment grade	0.00 – 0.59	-	-	-	-
Permissible grade	0.60 –11.34	-	-	-	-
Speculative grade	11.35–99.99	-	-	-	-
Lower speculative grade	100.00	-	-	-	-
Unrated	-	13,286,972	-	-	13,286,972
Gross carrying amount		13,286,972	-	-	13,286,972
Loss allowance		(185,567)	-	-	(185,567)
Carrying amount		13,101,405	-	-	13,101,405

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Loans with renegotiated terms and the forbearance policy

The Group may renegotiate loans when there is a material change in the customer's financial position, operating dynamics, industry and environment or anything that gives reasonable doubt that the debt may not be repaid or serviced as and when due. This is usually done through concessions which agree new terms and conditions that are more favourable to the borrower in order to increase the chance of collection and recovery and thereby reduce the risk of default. Renegotiation of terms may take forms such as extension of tenor, reduction of pricing, introduction of moratorium or restructuring of facility from one form to the other (e.g., overdraft to term loan) or other forms of amendments to the terms and conditions earlier contracted with the customer. The objective of renegotiation is to ensure recovery of the outstanding obligations and the request could be at the instance of the customer or the Group.

The table below provide the summary information for financial assets with lifetime ECL whose cash flows were modified during the year ended 31 December 2025 and 31 December 2024 as part of the Group's restructuring activities and their respective effect on the Group's financial performance.

	GROUP	
	31 DEC 2025	31 DEC 2024
Amortised cost before modification	88,967,325	156,989,545
Net modification (loss)/gains	(721,018)	1,356,474

	COMPANY	
	31 DEC 2025	31 DEC 2024
Amortised cost before modification	-	-
Net modification (loss)/gains	-	-

Write-off policy

The Group has a write-off policy approved by the Board of Directors, which also meets the requirements as specified in the prudential guidelines of the Central Bank of Nigeria for deposit money banks. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows

to repay the amount subject to the write-off. Same policy is applicable to the investments assets.

In line with the Group's approved write-off policy, the Management Credit Committee (MCC) may authorize a write-off of outstanding balance on a loan account, where it is apparent that the exposure may not be recovered from any of the available repayment sources. However, the Group must have fully provided for the facility and such credits must also receive the approval of the board of directors. The approval process for write-off is as follows:

- The Loan Recovery Unit originates the write-off requests
- Credit Risk Management obtains the approval of the Management Credit Committee (MCC) and the Board Credit Committee (BCC) for the request
- All write-offs must be ratified by the full Board
- Credit Risk Management sends notification of the balances approved for write-off to the Central Bank of Nigeria (CBN).

The write-off must also satisfy the following requirements of Central Bank of Nigeria (CBN):

- The facility must have been in the Group's book for at least one year after the full provision;
- There should be evidence of Board approval
- If the facility is insider or related party credit, the approval of CBN is required
- The fully provisioned facility is appropriately disclosed in the audited financial statement of the Group.

A gross loan amount, which were impaired were written off during year ended for the Group and Company respectively.

GROUP		COMPANY	
31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(99,648,784)	(23,276,237)	-	-

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Collateral held and other credit enhancements and their financial effects

The Group also has a good collateral management policy in place to reduce the risk of loss in the event of default. Our collateral management policy is linked to the internal ratings framework and has helped to reduce the estimated expected loss and capital charge on transactions.

The Group holds collateral and other types of credit enhancements against its credit exposures. The table below gives the principal collateral types eligible as security and used primarily to mitigate transaction risk:

Type of credit exposure	Principal type of collateral held for secured lending	Percentage of exposure that is subject to an arrangement that requires collateralisation	
		31 DEC 2025	31 DEC 2024
Loans and advances to banks			
Reverse sale and purchase agreements	Marketable securities	100	100
Security borrowing	Marketable securities	100	100
Loans and advances to retail customers			
Mortgage lending	Residential property	100	100
Personal loans	None	-	-
Credit cards	None	-	-
Loans and advances to corporate customers			
Finance leases	Property and equipment	100	100
Other lending to corporate customers	Legal mortgage, mortgage debenture, fixed and floating charges over corporate assets, account receivables	90	90
Reverse sale and repurchase agreements	Marketable securities	100	100
Investment debt securities	None	-	-

Other admissible credit risk mitigants (accepted for comfort only) but not eligible as collateral include domiciliation agreements, trust receipts, negative pledges and master netting agreements with obligors that have investments in liabilities. The Group typically does not hold collateral against investment securities, and no such collateral was held at 31 December 2025 and 31 December 2024.

Details of collateral held and the value of collateral as at 31 December 2025 are as follows:

In thousands of Naira	GROUP		COMPANY	
	Total exposure	Value of collateral	Total exposure	Value of collateral
Secured against real estate	226,779,743	1,771,447,220	-	-
Secured by quoted, unquoted shares and other investments	-	-	-	-
Cash Collateral	151,667,074	72,599,504	-	-
Fixed and floating assets	856,092,973	67,007,336,513	-	-
Otherwise secured	724,021,102	148,290,607	-	-
Unsecured	516,909,290	-	-	-
	2,475,470,182	68,999,673,844	-	-

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Details of collateral held and their carrying amounts as at 31 December 2024 are as follows:

<i>In thousands of Naira</i>	GROUP		COMPANY	
	Total exposure	Value of collateral	Total exposure	Value of collateral
Secured against real estate	279,774,589	1,552,457,567	-	-
Secured by quoted, unquoted shares and other investments	12,123,683	40,041,071	-	-
Cash collateral	197,328,551	64,740,986	-	-
Fixed and floating assets	1,138,697,331	33,867,871,639	-	-
Otherwise secured	168,251,237	72,645,464	-	-
Unsecured	688,902,825	-	-	-
	2,485,078,216	35,597,756,727	-	-

Loans and advances to corporate customers

The Group's loans and advances to corporate obligors are subject to rigorous credit appraisals commencing with rating of obligor via our Moody's Risk Analysis Methodology to determine the credit worthiness of the customer or its probability of default known as the Obligor Risk Rating (ORR) – the Probability of Default (PD) of a customer is a measure of the obligor risk rating.

Collateral in the form of first charge over real estate (legal mortgage or mortgage debenture) or floating and fixed charges over corporate assets is usually taken to provide additional comfort to the Group. The measure of the collateral pledged by the customer is given by the Facility Risk Rating (FRR) mapped to the Basel II defined Loss Given Default (LGD) estimates. The FRR or LGD therefore assesses the transaction of the customer – risk of loss on the transaction in the event of default.

All non-retail and retail-SME exposures are assigned a risk grade by independent Credit Analysts within our Risk Management Division based on inputs/discussions with relationship management teams and verifiable facts. While the obligor risk rating model differentiates borrower risk (i.e. risk of default), the facility risk rating model differentiates transaction risk (i.e. risk of loss in the event of default), taking the structure of the facility (availability of credit risk mitigants) into consideration:

The Group's credit analysts are fully guided by our internal ratings framework and lending policies, and exhibit a high level of professionalism and judgment in their recommendations to Approving Authorities. Model overrides, if any, require the exceptional approval of the Chief Risk Officer and in certain cases, may be escalated to the Board Credit Committee.

The Group's Facility Risk Rating model (for non-retail and retail SME) also reflects the Expected Loss (EL) on each transaction, which fully incorporates both borrower strength (PD) and loss severity (LGD) considerations. The Expected Loss (EL) generated is used as a guide to price for transactions, being the risk premium.

The Group also holds collateral in the form of cash and marketable securities in respect of sale and repurchase transactions and securities borrowing. Receivables relating to reverse sale and repurchase agreements and securities borrowing transactions are usually collateralised on a gross exposure basis. The Group undertakes master netting agreements with all counterparties and margining agreements with some counterparties.

Derivative assets held for risk management

For derivatives, under margin agreements, collateral is held against net positions that are partially or fully collateralised. Exposures under margin agreements are marked to market daily to assess attendant risks to the Group. There are no derivative trading assets as at the reporting period.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

However, details of derivative transactions taken for risk management is presented below:

	31 DEC 2025	
	Notional amount	Fair value
Derivative assets held for risk management	65,789,749	4,276,814
Derivative liabilities held for risk management	10,567,824	608,639
	31 DEC 2024	
	Notional amount	Fair value
Derivative assets held for risk management	75,789,749	1,451,932
Derivative liabilities held for risk management	40,601,424	2,608,146

Concentration of credit risk

The Group monitors concentrations of credit risk by sector and by geographic location. An analysis of concentration of credit risk from loans and advances, lending commitments, financial guarantees and investment is shown below:

Concentration by sector

Gross loans and advances to customers and the non-performing loan portion per industry sector as at 31 December 2025. Carrying amounts presented in the table below are determined as gross loans less impairment allowances. The non-performing loans (NPL) is presented in accordance with Central Bank of Nigeria (CBN) prudential guidelines.

GROUP

In thousands of Naira	Loans and advances to customers					Gross lending commitments and financial guarantees
	Stage1	Stage 2	Stage 3	Total gross loans	Non performing loans (NPL)	
Administrative and Support Services	2,868,168	-	1,956	2,870,124	1,956	350
Agriculture	239,773,342	8,540,868	5,741,735	254,055,945	5,741,735	97,289,694
Commerce	166,159,466	15,110,999	35,905,904	217,176,369	35,905,904	84,757,037
Construction	2,054,661	3,149,293	69,702	5,273,656	69,702	252,076,481
Education	3,375,423	568,208	249,841	4,193,472	249,841	475,000
Finance and Insurance	364,157,563	-	-	364,157,563	-	-
General - Others	12,466,402	787,343	1,105,051	14,358,796	1,105,051	19,534,342
Government	124,074,928	2,072,907	-	126,147,835	-	-
Healthcare	1,769,247	22,192	2,438,721	4,230,160	2,438,721	15,510,400
Hospitality	77,291,455	1,042,076	266,260	78,599,791	266,260	8,974,164
Individual	375,279,531	6,141,248	13,439,002	394,859,780	13,439,002	-
Information and Communication	1,053,199	6,909	55,264	1,115,372	55,264	19,475,192
Manufacturing	263,347,446	2,745,630	33,982,083	300,075,159	33,982,083	259,412,345
Oil and Gas - Downstream	17,765,037	147,078,703	11,118,010	175,961,750	11,118,010	16,925,962
Oil and Gas - Services	87,509,096	35,550,064	16,146,796	139,205,956	16,146,796	14,199,789
Oil and Gas - Upstream	206,739,855	57,604,335	-	264,344,190	-	719,965
Power and Energy	61,403,707	-	3,209,964	64,613,671	3,209,964	14,576,500
Professional Services	4,789,455	426,640	116,345	5,332,440	116,345	5,257,245
Real Estate	33,113,469	41,495	1,602,699	34,757,663	1,602,699	7,596,844
Transportation	12,137,557	4,395,768	442,648	16,975,973	442,648	48,908,518
Water Supply; Sewage, Waste Management and Remediation Activities	7,105,674	-	58,843	7,164,517	58,843	90,000
	2,064,234,681	285,284,678	125,950,824	2,475,470,182	125,950,824	865,779,828

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Gross loans and advances to customers and the non-performing loan portion per industry sector as at 31 December 2024. Carrying amounts presented in the table below are determined as gross loans less impairment allowances. The non-performing loans (NPL) is presented in accordance with Central Bank of Nigeria (CBN) prudential guidelines.

GROUP

In thousands of Naira	Loans and advances to customers					Gross lending commitments and financial guarantees
	Stage 1	Stage 2	Stage 3	Total gross loans	Non performing loans (NPL)	
Administrative and Support Services	3,445,821	2,470	-	3,448,291	-	227,263
Agriculture	176,946,635	13,645,899	1,970,339	192,562,873	1,970,339	37,420,179
Commerce	176,980,368	36,527,956	12,192,057	225,700,381	12,192,057	143,134,168
Construction	1,428,565	1,086,630	49,404	2,564,599	49,404	87,370,416
Education	5,526,376	361,636	189,233	6,077,245	189,233	225,000
Finance and Insurance	296,164,947	374,182	-	296,539,129	-	-
General - Others	8,327,017	598,704	2,023,008	10,948,729	2,023,008	24,853,654
Government	100,911,522	2,450,840	-	103,362,362	-	-
Healthcare	2,055,084	553,332	20,674	2,629,090	20,674	15,728,949
Hospitality	14,595,917	323,724	136,187	15,055,828	136,187	8,655,128
Individual	290,774,473	4,411,074	7,212,989	302,398,536	7,212,989	1,046,793
Information and Communication	3,298,519	1,248,380	6,362	4,553,261	6,362	2,608,085
Manufacturing	229,324,827	12,872,594	18,116,389	260,313,810	18,116,389	206,672,444
Oil and Gas - Downstream	79,962,877	110,337,505	14,641,260	204,941,642	14,641,260	28,191,619
Oil and Gas - Services	88,686,576	129,364,702	2	218,051,280	2	7,468,746
Oil and Gas - Upstream	143,848,455	217,924,253	-	361,772,708	-	52,191,644
Power and Energy	65,351,315	-	3,626,925	68,978,240	3,626,925	506,949
Professional Services	2,206,991	26,386	68,713	2,302,090	68,713	8,209,596
Real Estate	90,174,333	5,615,938	87,168,198	182,958,469	87,168,198	30,838,911
Transportation	8,272,827	5,350,864	133,982	13,757,673	133,982	53,860,034
Water Supply; Sewage, Waste Management and Remediation Activities	5,714,742	23,574	423,664	6,161,980	423,664	-
	1,793,998,187	543,100,643	147,979,386	2,485,078,216	147,979,386	709,209,578

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Concentration by location

Concentration by location for loans and advance, and for lending commitments and financial guarantees is based on the customer's region of domicile within Nigeria and Europe. Concentration by location for investment securities is based on the country of domicile of the issuer of the security.

31 DEC 2025

GROUP

In thousands of Naira	Loans and advances to customers					Gross lending commitments and financial guarantees
	Stage1	Stage 2	Stage 3	Total gross loans	Non performing loans (NPLs)	
North East	15,411,881	254,540	622,551	16,288,972	622,551	8,000,257
North Central	73,691,006	8,052,434	5,837,083	87,580,523	5,837,083	78,173,074
North West	59,101,342	9,253,436	10,938,408	79,293,186	10,938,408	4,585,013
South East	41,699,275	3,378,593	9,813,678	54,891,546	9,813,678	3,769,511
South South	77,856,577	970,033	21,461,898	100,288,508	21,461,898	5,263,202
South West	1,364,014,704	263,375,642	77,277,206	1,704,667,551	77,277,206	724,368,754
Europe	432,459,896	-	-	432,459,896	-	41,620,017
	2,064,234,681	285,284,678	125,950,824	2,475,470,182	125,950,824	865,779,828

31 DEC 2024

GROUP

In thousands of Naira	Loans and advances to customers					Gross lending commitments and financial guarantees
	Stage1	Stage 2	Stage 3	Total gross loans	Non performing loans (NPLs)	
North East	13,640,160	231,712	654,894	14,526,766	654,894	-
North Central	64,335,551	5,258,690	2,800,228	72,394,469	2,800,228	45,266
North West	46,145,905	7,863,578	2,163,470	56,172,953	2,163,470	12,329,983
South East	36,784,104	7,370,953	1,910,782	46,065,839	1,910,782	5,586,780
South South	72,167,435	4,157,003	16,346,952	92,671,390	16,346,952	9,199,697
South West	1,215,822,799	518,218,707	124,103,060	1,858,144,566	124,103,060	657,883,982
Europe	345,102,233	-	-	345,102,233	-	24,163,870
	1,793,998,187	543,100,643	147,979,386	2,485,078,216	147,979,386	709,209,578

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Inputs, assumptions and techniques used for estimating impairment

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

Credit risk grades

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower.

Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates so, for example, the difference in risk of default between credit risk grades 1 and 2 is smaller than the difference between credit risk grades 2 and 3.

Each exposure is allocated to a credit risk grade at initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

Corporate exposures

- Information obtained during periodic review of customer files - e.g., management accounts, budgets and projections. Example of areas of particular focus are: gross profit margins, financial leverage ratios, debt service coverage, compliance with covenants, quality of management, senior management changes, etc.
- Data from credit reference agencies, press articles, changes in external credit ratings.
- Quoted bond prices for the borrower where available.
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities.

Retail exposures

- Internally collected data on customer behavior e.g. utilization of credit card facilities
- Affordability metrics
- External data from credit reference agencies including industry-standard credit scores

All exposures

- Payment record - this include overdue status as well as a range of variables about payment ratios
- Utilization of the granted limit
- Request for and granting of forbearance
- Existing and forecast changes in business, financial and economic conditions.

Generating the term structure of Probability of Default (PD)

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by jurisdiction or region and by type of product and borrower as well as by credit risk grading. For some portfolios, information purchased from external credit reference agencies is also used.

The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

This analysis includes the identification and calibration of relationships between changes in default rates and changes in key macro-economic factors as well as in-depth analysis of the impact of certain other factors (e.g., forbearance experience) on the risk of default. For most exposures, key macro-economic indicators include: GDP growth, benchmark interest rates and unemployment. For exposures to specific industries and/or regions, the analysis may extend to relevant commodity and/or real estate prices.

Based on advice from the Management Risk Committee and economic experts and consideration of a variety of external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios (see discussion below on incorporation of forward-looking information). The Group then uses these forecasts to adjust its estimates of PDs.

In determining the ECL for other assets, the Group applies the simplified model to estimate ECLs, adopting a provision matrix to determine the lifetime ECLs. The provision matrix estimates ECLs on the basis of historical default rates, adjusted for current and future economic conditions (expected changes in default rates) without undue cost and effort.

Determining whether credit risk has increased significantly

The Group considers reasonable and supportable information, that is relevant and available without undue cost or effort, in determining whether there has been significant increase in credit risk. These include both quantitative and qualitative information and analysis, based on the Group's historical experience, expert credit assessment and forward-looking information.

The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Group's quantitative modelling, the remaining lifetime PD is determined to have increased by more than a predetermined percentage/range.

Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that

an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

As a backstop, the Group considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due or, for certain types of exposure, more than 15 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

The Group monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (stage 1) and lifetime PD (stage 2).

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out in the accounting policy.

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- its remaining lifetime PD at the reporting date based on the modified terms; with
- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms.

The Group renegotiates loans to customers in financial difficulties (referred to as 'forbearance activities') to maximise

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collection opportunities and minimise the risk of default. Under the Group's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants. Both retail and corporate loans are subject to the forbearance policy. The Group's Risk and Audit Committees regularly review reports on forbearance activities.

For financial assets modified as part of the Group's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Group's ability to collect interest and principal and the Group's previous experience of similar forbearance action. As part of this process, the Group evaluates the borrower's payment performance against the modified contractual terms and considers various behavioural indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired and in default. A customer needs to demonstrate consistently good payment behaviour over a period of time before the exposure is no longer considered to be credit-impaired and in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to 12-month ECL.

Definition of default

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- for non-specialized loans, the borrower is past due more than 90 days on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding.
- for specialized loans, depending on the nature of the transaction, the following default criteria was adopted by the Group

Finance Type	Quantitative Default Criteria
Agricultural Finance	Where mark-up/ interest or principal is overdue (past due) by 90 days
Object Finance	Where the repayment on outstanding obligations is less than 60% of the amount due and/or aggregate instalments; thereof are overdue by 180 days
Project Finance	Where the repayment on outstanding obligations is less than 60% of the amount due and/or aggregate instalments; thereof are overdue by 180 days
Real Estate	Where the repayment on outstanding obligations is less than 60% of the amount due and/or aggregate instalments; thereof are overdue by 180 days
Mortgage Loans	Where mark-up/interest or principal is overdue (past due) by more than 180 days from the due date

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative - e.g. breaches of covenant;
- quantitative - e.g. overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

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Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

The definition of default largely aligns with that applied by the Group for regulatory capital purposes, except where there is regulatory waiver on specifically identified loans and advances.

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on advice from the Management Risk Committee and economic experts and consideration of a variety of external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Group operates, supranational organisations such as the Organisation for Economic Co-operation and Development (OECD) and the International Monetary Fund, and selected private-sector and academic forecasters.

The base case represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of these other representative scenarios.

The Group has identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing historical data over the past 5 years.

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

Macroeconomic scenarios and weightings

The macroeconomic scenario (forward-Looking Information) forecast, used by the Group for ECL allowance calculation purposes, were derived using advanced statistical models which also produced the probability weightings of each scenario. 3 scenarios were developed; 1) Optimistic Scenario 2) Most Likely Scenario 3) Pessimistic Scenario. The group adopted statistical forecasts and probability weightings to eliminate biases in the scenarios and sensitivity of the forecasts.

60 monthly forecasts of each forward-looking information (FLI) was adopted by the Group in the ECL allowance calculation. The following FLIs were considered;

- 1) Banking Index of The Nigerian Exchange Ltd
- 2) Nigeria's Inflation Rate
- 3) NAFEX NGNUSD Exchange Rate
- 4) Brent Crude Oil Price
- 5) Nigeria's Foreign Reserves Balance

The choice of FLIs was informed by historical analysis which confirmed strong correlation and causation between the selected FLIs and the Groups historical default experience. The Board Credit Committee had approved the aforementioned FLIs for use in ECL allowance calculation.

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Optimistic scenario – 20%

5 year (2025–2029) average forecast

FLI	Year 1	Year 2	Year 3	Year 4	Year 5
Banking Index	670.83	471.67	573.33	756.67	790.83
Inflation Rate	22%	16%	15%	19%	24%
NGNUSD Exchange NAFEX	721.03	727.27	807.96	919.54	1054.82
Brent Crude Oil Price (USD/bbl)	110.63	119.77	120.45	120.00	119.58
Foreign Reserves (USD' Billion)	35.36	36.73	41.66	46.19	46.28

Most likely scenario – 60%

5 year (2025–2029) average forecast

FLI	Year 1	Year 2	Year 3	Year 4	Year 5
Banking Index	554.17	372.50	430.00	564.17	582.50
Inflation Rate	25%	19%	18%	24%	31%
NGNUSD Exchange NAFEX	840.71	891.52	995.91	1134.29	1301.31
Brent Crude Oil Price (USD/bbl)	79.36	76.65	75.23	74.45	74.05
Foreign Reserves (USD' Billion)	32.36	32.79	36.62	39.18	38.74

Pessimistic scenario – 20%

5 year (2025–2029) average forecast

FLI	Year 1	Year 2	Year 3	Year 4	Year 5
Banking Index	460.00	294.17	323.33	420.00	430.00
Inflation Rate	29%	22%	22%	30%	40%
NGNUSD Exchange NAFEX	981.64	1092.88	1227.58	1399.21	1605.39
Brent Crude Oil Price (USD/bbl)	57.34	49.06	46.99	46.20	45.86
Foreign Reserves (USD' Billion)	29.64	29.28	32.20	33.23	32.43

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD)
- exposure at default (EAD)

These parameters are generally derived from internally developed statistical models and other historical data. They are adjusted to reflect forward-looking information as described above.

PD estimates are estimates at a certain date, which are calculated based on statistical rating models, and assessed

using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties.

Notes to the Consolidated and Separate Financial Statements

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The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. LGD estimates are recalibrated for different economic scenarios and, for lending, to reflect possible changes in the economies. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortisation. The EAD of a financial asset is its gross carrying amount. For lending commitments and financial guarantees, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for financial assets for which credit risk has not significantly increased, the Group measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Group considers a longer period. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment or guarantee.

However, for overdrafts and revolving facilities that include both a loan and an undrawn commitment component, the Group measures ECL over a period longer than the maximum contractual period if the Group's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's exposure to credit losses to the contractual notice period.

These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Group can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Group becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Group expects to take and that serve to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that include:

- instrument type;
- credit risk gradings;
- collateral type;
- Past due information;
- date of initial recognition;
- remaining term to maturity;
- industry; and
- geographic location of the borrower.

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous.

Loss allowance

Measurement basis under IFRS 9

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument. The basis for determining transfers due to changes in credit risk is set out in our accounting policy; see Note 3(k)(vii).

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FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP

	31 DEC 2025				31 DEC 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents								
Balance at 1 January	18,017	-	-	18,017	41,108	-	-	41,108
Net remeasurement of loss allowances (see note 10)	142,671	-	-	142,671	(9,824)	-	-	(9,824)
Foreign exchange and other movements	7,161	-	-	7,161	(13,267)	-	-	(13,267)
Closing balance	167,849	-	-	167,849	18,017	-	-	18,017
Gross amount	1,299,088,570	-	-	1,299,088,570	795,405,036	-	-	795,405,036
Assets pledged as collateral								
Balance at 1 January	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-
Gross amount	104,900,576	-	-	104,900,576	401,703,741	-	-	401,703,741
Loans and advances to customers at amortised cost								
Balance at 1 January	28,130,696	39,437,930	60,205,275	127,773,901	15,156,299	12,737,070	60,169,519	88,062,888
Transfer to Stage 1	159,038	(53,361)	(105,677)	-	3,245,328	(1,283,759)	(1,961,569)	-
Transfer to Stage 2	(624,412)	639,916	(15,504)	-	(620,469)	754,891	(134,422)	-
Transfer to Stage 3	(158,091)	(1,614,253)	1,772,344	-	(259,975)	(1,893,826)	2,153,801	-
Net remeasurement of loss allowances (see note 10)	13,106,918	(18,827,569)	95,038,078	89,317,427	8,227,553	25,110,892	10,453,405	43,791,850
Financial assets that have been derecognised write-off	-	-	(99,648,784)	(99,648,784)	-	-	(23,276,237)	(23,276,237)
Foreign exchange and other movements	(625,109)	(732,449)	(6,301,173)	(7,658,731)	2,381,960	4,012,662	12,795,661	19,190,283
Closing balance	39,989,040	18,850,214	50,944,559	109,783,813	28,130,696	39,437,930	60,200,158	127,768,784
Gross amount	2,074,409,308	282,436,057	118,624,821	2,475,470,186	1,704,508,657	543,100,640	237,797,906	2,485,407,203

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GROUP

	31 DEC 2025				31 DEC 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Investment securities at amortised cost								
Balance at 1 January	6,266,991	-	7,370,067	13,637,058	3,024,356	-	4,190,541	7,214,897
Net remeasurement of loss allowances (see note 10)	(3,055,495)	-	-	(3,055,495)	3,080,857	-	-	3,080,857
Foreign exchange and other movements	(232,625)	-	(480,213)	(712,838)	161,778	-	3,179,526	3,341,304
Closing balance	2,978,871	-	6,889,854	9,868,725	6,266,991	-	7,370,067	13,637,058
Gross amount	1,293,093,334	-	6,339,724	1,299,433,058	702,630,797	-	7,370,067	710,000,864
Investment securities at FVOCI								
Balance at 1 January	1,044,570	-	-	1,044,570	845,199	-	-	845,199
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	1,879,636	-	-	1,879,636	199,371	-	-	199,371
Foreign exchange and other movements	-	-	-	-	-	-	-	-
Closing balance	2,924,206	-	-	2,924,206	1,044,570	-	-	1,044,570
Gross amount	626,266,506	-	-	626,266,506	493,046,900	-	-	493,046,900
Other assets								
Balance at 1 January	22,128,293	8,723,053	36,729,497	67,580,843	18,527,183	8,837,416	23,411,065	50,775,664
Transfer to Stage 1	-	-	-	-	1,453,830	(1,166,493)	(287,337)	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	4,846,379	(237,239)	-	4,609,140	2,147,280	1,052,130	653,317	3,852,727
Write-offs	-	-	(33)	(33)	-	-	(25,628)	(25,628)
Foreign exchange and other movements	(873,492)	-	(1,468,089)	(2,341,581)	-	-	12,978,080	12,978,080
Closing balance	26,101,180	8,485,814	35,261,375	69,848,369	22,128,293	8,723,053	36,729,497	67,580,843
Gross amount	54,951,129	13,817,672	42,288,275	111,057,076	415,641,433	15,817,672	55,991,983	487,451,088
Performance bonds and guarantees, clean line letters of credit and other commitments								
Balance at 1 January	727,310	-	-	727,310	579,223	-	-	579,223
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	46,773	-	-	46,773	154,140	-	-	154,140
Foreign exchange and other movements	8,172	-	-	8,172	(6,053)	-	-	(6,053)
Closing balance	782,255	-	-	782,255	727,310	-	-	727,310
Gross amount	830,087,641	-	-	830,087,641	709,273,598	-	-	709,273,598

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COMPANY

	31 DEC 2025				31 DEC 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Cash and cash equivalents								
Balance at 1 January	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-
Gross amount	3,014,998	-	-	3,014,998	14,371,980	-	-	14,371,980
Investment securities at amortised cost								
Balance at 1 January	399,068	-	-	399,068	306,861	-	-	306,861
Net remeasurement of loss allowances (see note 10)	176,280	-	-	176,280	92,207	-	-	92,207
Foreign exchange and other movements	-	-	-	-	-	-	-	-
Closing balance	575,348	-	-	575,348	399,068	-	-	399,068
Gross amount	35,402,154	-	-	35,402,154	23,544,859	-	-	23,544,859
Investment securities at FVTPL								
Balance at 1 January	-	-	-	-	-	-	-	-
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	-	-	-	-	-	-	-	-
Foreign exchange and other movements	-	-	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-	-	-
Gross amount	50,330,599	-	-	50,330,599	45,457,558	-	-	45,457,558
Other assets								
Balance at 1 January	185,567	-	-	185,567	136,773	-	-	136,773
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Net remeasurement of loss allowances (see note 10)	36,725	-	-	36,725	48,794	-	-	48,794
Write-offs	-	-	-	-	-	-	-	-
Foreign exchange and other movements	-	-	-	-	-	-	-	-
Closing balance	222,292	-	-	222,292	185,567	-	-	185,567
Gross amount	26,194,374	-	-	26,194,374	13,286,972	-	-	13,286,972

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ECL coverage ratio

31 DEC 2025

GROUP

In thousands of Naira	Gross carrying amount				ECL provision			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
On-balance sheet items								
Cash and cash equivalents	1,299,088,570	-	-	1,299,088,570	167,849	-	-	167,849
Assets pledged as collateral	104,900,576	-	-	104,900,576	-	-	-	-
Loans and advances to customers at amortised cost	2,074,409,308	282,436,057	118,624,821	2,475,470,186	39,989,040	18,850,214	50,944,559	109,783,813
Investment securities at amortised cost	1,293,093,334	-	6,339,724	1,299,433,058	2,978,871	-	6,889,854	9,868,725
Investment securities at FVOCI	626,266,506	-	-	626,266,506	2,924,206	-	-	2,924,206
Other financial assets measured at amortised cost	54,951,129	13,817,672	42,288,275	111,057,076	26,101,180	8,485,814	35,261,375	69,848,369
Sub-total	5,452,709,423	296,253,729	167,252,820	5,916,215,972	72,161,146	27,336,028	93,095,788	192,592,962
Off-balance sheet items								
Performance bonds and guarantees	618,334,206	-	-	618,334,206	369,892	-	-	369,892
Clean line letters of credit	209,103,435	-	-	209,103,435	412,363	-	-	412,363
Other commitments	2,650,000	-	-	2,650,000	-	-	-	-
Sub-total	830,087,641	-	-	830,087,641	782,255	-	-	782,255
Grand total	6,282,797,064	296,253,729	167,252,820	6,746,303,613	72,943,401	27,336,028	93,095,788	193,375,217

COMPANY

In thousands of Naira	Gross carrying amount				ECL provision			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
On-balance sheet items								
Cash and cash equivalents	3,014,998	-	-	3,014,998	-	-	-	-
Assets pledged as collateral	-	-	-	-	-	-	-	-
Loans and advances to customers at amortised cost	-	-	-	-	-	-	-	-
Investment securities at amortised cost	35,402,154	-	-	35,402,154	575,348	-	-	575,348
Investment securities at FVOCI	50,330,599	-	-	50,330,599	-	-	-	-
Other financial assets measured at amortised cost	26,194,374	-	-	26,194,374	222,292	-	-	222,292
Sub-total	114,942,125	-	-	114,942,125	797,640	-	-	797,640
Off-balance sheet items								
Performance bonds and guarantees	-	-	-	-	-	-	-	-
Clean line letters of credit	-	-	-	-	-	-	-	-
Other commitments	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-
Grand total	114,942,125	-	-	114,942,125	797,640	-	-	797,640

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ECL coverage ratio

	GROUP				COMPANY			
On-balance sheet items								
Cash and cash equivalents	0.0001%	-	-	0.0001%	-	-	-	-
Loans and advances to customers at amortised cost	1.93%	6.67%	42.95%	4.43%	-	-	-	-
Investment securities at amortised cost	0.23%	-	108.68%	0.76%	1.63%	-	-	1.63%
Investment securities at FVOCI	0.47%	-	-	0.47%	-	-	-	-
Other financial assets measured at amortised cost	47.50%	61.41%	83.38%	62.89%	0.85%	-	-	0.85%
Sub-total	1.32%	9.23%	55.66%	3.26%	0.69%	-	-	0.69%
Off-balance sheet items								
Performance bonds and guarantees	0.06%	-	-	0.06%	-	-	-	-
Clean line letters of credit	0.20%	-	-	0.20%	-	-	-	-
Other commitments	-	-	-	-	-	-	-	-
Sub-total	0.09%	-	-	0.09%	-	-	-	-
Grand total	1.16%	9.23%	55.66%	2.87%	0.69%	-	-	0.69%

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GROUP

In thousands of Naira	Gross carrying amount				ECL provision			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
On-balance sheet items								
Cash and cash equivalents	795,405,036	-	-	795,405,036	18,017	-	-	18,017
Assets pledged as collateral at amortised cost	401,703,741	-	-	401,703,741	-	-	-	-
Assets pledged as collateral at FVOCI	-	-	-	-	-	-	-	-
Loans and advances to customers at amortised cost	1,704,508,657	543,100,640	237,797,906	2,485,407,203	28,130,696	39,437,930	60,200,158	127,768,784
Investment securities at amortised cost	702,630,797	-	7,370,067	710,000,864	6,266,991	-	7,370,067	13,637,058
Investment securities at FVOCI	493,046,900	-	-	493,046,900	1,044,570	-	-	1,044,570
Other financial assets measured at amortised cost	415,641,433	15,817,672	55,991,983	487,451,088	22,128,293	8,723,053	36,729,497	67,580,843
Sub-total	4,512,936,564	558,918,312	301,159,956	5,373,014,832	57,588,567	48,160,983	104,299,722	210,049,272
Off-balance sheet items								
Performance bonds and guarantees	471,245,217	-	-	471,245,217	314,947	-	-	314,947
Clean line letters of credit	234,849,922	-	-	234,849,922	412,363	-	-	412,363
Other commitments	3,178,459	-	-	3,178,459	-	-	-	-
Sub-total	709,273,598	-	-	709,273,598	727,310	-	-	727,310
Grand total	5,222,210,162	558,918,312	301,159,956	6,082,288,430	58,315,877	48,160,983	104,299,722	210,776,582

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

ECL coverage ratio

31 DEC 2024

COMPANY

In thousands of Naira	Gross carrying amount				ECL provision			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
On-balance sheet items								
Cash and cash equivalents	14,371,980	-	-	14,371,980	-	-	-	-
Assets pledged as collateral at amortised cost	-	-	-	-	-	-	-	-
Assets pledged as collateral at FVOCI	-	-	-	-	-	-	-	-
Loans and advances to customers at amortised cost	-	-	-	-	-	-	-	-
Investment securities at amortised cost	23,544,859	-	-	23,544,859	399,068	-	-	399,068
Investment securities at FVOCI	45,457,558	-	-	45,457,558	-	-	-	-
Other financial assets measured at amortised cost	13,286,972	-	-	13,286,972	185,567	-	-	185,567
Sub-total	96,661,369	-	-	96,661,369	584,635	-	-	584,635
Off-balance sheet items								
Performance bonds and guarantees	-	-	-	-	-	-	-	-
Clean line letters of credit	-	-	-	-	-	-	-	-
Other commitments	-	-	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-	-	-
Grand total	96,661,369	-	-	96,661,369	584,635	-	-	584,635

ECL coverage ratio

	GROUP				COMPANY			
On-balance sheet items								
Assets pledged as collateral at amortised cost	-	-	-	-	-	-	-	-
Assets pledged as collateral at FVOCI	-	-	-	-	-	-	-	-
Loans and advances to customers at amortised cost	1.65%	7.26%	25.32%	5.14%	-	-	-	-
Investment securities at amortised cost	0.89%	-	100.00%	1.92%	1.69%	-	-	1.69%
Investment securities at FVOCI	0.21%	-	-	0.21%	-	-	-	-
Other financial assets measured at amortised cost	5.32%	55.15%	65.60%	13.86%	1.40%	-	-	1.40%
Sub-total	1.28%	8.62%	34.63%	3.91%	0.60%	-	-	0.60%
Off-balance sheet items								
Performance bonds and guarantees	0.07%	-	-	0.07%	-	-	-	-
Clean line letters of credit	0.18%	-	-	0.18%	-	-	-	-
Other commitments	-	-	-	-	-	-	-	-
Sub-total	0.10%	-	-	0.10%	-	-	-	-
Grand total	1.12%	8.62%	34.63%	3.47%	0.60%	-	-	0.60%

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Trading assets

The Group's trading book comprises only debt securities and bills issued by the Federal Government of Nigeria and equity securities. The capital charge for the trading book is computed using the standardised approach. The standardised approach adopts a building block approach to capital computation, where individual capital requirements are summed for the different risk positions. Under the methodology, capital charge is computed for issuer risk, otherwise known as specific risk and for general market risk, which may result from adverse movement in market price. The capital charges cover the Group's debt instruments and equity securities in the trading book and the total banking book for foreign exchange. Commodities are excluded as the Group does not trade in commodities. The standardised method ignores diversification of risk and the risk positions are captured as on the day and not for a period.

The deployment of Value at Risk (VAR) will enable the Group to migrate to the internal model approach, which measures market risk loss at a given level of confidence and over a specified period. Also, this approach accounts for diversification (which is not done under standardised method).

An analysis of the counterparty credit exposure for the trading assets, which are neither past due nor impaired is as shown in the table below.*

Cash and cash equivalents

The Group held cash and cash equivalents of N1299.09billion as at 31 December 2025 (31 December 2024: N791.68billion). The cash and cash equivalents are held with the Central Group, financial institutions and counterparties which are rated BBB- to AA based on acceptable external rating agency's ratings.

Settlement risk

The Group like its peers in the industry is exposed to settlement risk – the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

This risk is generally mitigated through counterparty limits set to manage the Group's exposure to these counterparties. The counterparty limits are approved by the Executive Management and the Board of Directors.

* Analysis of the counterparty credit exposure for the trading assets

GROUP

31 DEC 2025

In thousands of Naira

Security type	Issuer rating	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
FGN Bonds	BB-	101,282,506	-	-	-	-	-	101,282,506
Nigerian Treasury Bills	BB-	95,854,155	-	-	-	-	-	95,854,155
Fund Investments Government and Others	BB-	-	242,584,073	-	-	-	-	242,584,073
		197,136,661	242,584,073	-	-	-	-	439,720,734

31 DEC 2024

In thousands of Naira

Security type	Issuer rating	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
FGN Bonds	BB-	82,388,763	-	-	-	496,730	3,296,114	86,181,607
Nigerian Treasury Bills	BB-	10,887,401	-	-	-	-	-	10,887,401
Fund Investments Government and Others	BB-	-	222,040,262	-	-	-	-	222,040,262
		93,276,164.00	222,040,262	-	-	496,730	3,296,114	319,109,270

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

c. Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. It is the potential loss to the Group arising from either its inability to meet its obligations or to fund committed increases in assets as they fall due without incurring unacceptable costs or losses.

Management of liquidity risk

The Board of directors sets the strategy for liquidity risk and delegates the responsibility for oversight and implementation of the policy to the Assets and Liability Committee (ALCO). The liquidity position is managed daily by Treasury and Financial Services Division in conjunction with Market Risk Management Department. Assessment of liquidity is carried out through daily and weekly reports aimed at evaluating limit compliances across all the key liquidity management criteria e.g., funding gap, liquidity mismatches, etc.

The Assets & Liability Committee (ALCO) has the primary responsibility for managing liquidity risk arising from assets and liability creation activities. Deliberate strategies put in place to ensure the Group is protected from liquidity risk include:

- Liquidity risk identification at transaction, portfolio and entity levels using the defined early warning liquidity risk indicators such as deposit attrition, funding mismatch and funding concentrations.
- Establishment of the Group's liquidity risk appetite, which is the amount of risk FCMB is willing to accept in pursuit of value using relevant liquidity risk ratios and assets and liability funding gaps.
- Establishment of methodologies for measuring and reporting on the Group's liquidity risk profile against set appetite and sensitizing against unforeseen circumstances using liquidity risk scenario analysis
- Establishment of preventive (limit setting and management) as well as corrective (Contingency Funding Plan - CFP) controls over liquidity risk
- Maintaining a diversified funding base consisting of customer deposit (both retail and corporate) and wholesale market deposits and contingency deposits and liabilities.

- Carrying a portfolio of highly liquid assets, diversified by currency and maturity
- Monitoring liquidity ratios, maturity mismatches, behavioural characteristics of the Group's financial assets and liabilities, and the extent to which they are encumbered

The Group conducts regular stress testing on its liquidity position using different scenarios including Normal, Mild and Severe stress situations. The scenarios anticipate changes in key financial indicators such as interest rate movement, sharp reduction in Development Financial Institutions (DFIs) as a result of current security challenges, economic downturn among others. Stress results are presented to ALCO to elicit proactive liquidity management decisions. The committee's resolutions are tracked for impact assessment and anticipated stability in liquidity management.

The Risk Management Division acts as the secretariat for ALCO and provides the necessary analytics (Maturity/Repricing Gap and Balance sheet analysis) required for taking proactive liquidity management decisions. The Group's Treasury & Financial Services division is responsible for executing ALCO decisions and in particular, ensuring that the Group is optimally and profitably funded at any point in time.

i. Exposure to liquidity risk

The key measures adopted by the Group for liquidity management are Maturity Profile (on and off balance sheet) and Maturity Analysis. Details of reported ratio of the Group's net liquid assets to deposit from customers as at the reporting period is given as:

PERIOD	31 DEC 2025	31 DEC 2024
At 31 December	66.5%	40.6%
Average for the year	55.4%	40.6%
Maximum for the year	82.5%	49.7%
Minimum for the year	34.8%	34.1%

Liquidity ratio which is a measure of liquidity risk is calculated as a ratio of naira liquid assets to local currency deposits and its is expressed in percentages.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

The exposure to liquidity risk during the review period is as presented below:

ii. Maturity analysis for financial assets and liabilities

The table below analyses financial assets and liabilities of the Group into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity

date. These include both principal and interest cash flows across the different maturity periods. The following tables show the undiscounted cash flows on the Group's financial assets and liabilities and on the basis of their earliest possible contractual maturity. The Gross nominal inflow/ (outflow) disclosed in the table is the contractual, undiscounted cash flows on the financial assets and liabilities.

GROUP

31 DEC 2025

In thousands of Naira	Note	Carrying amount	Gross nominal inflow/ (outflow)	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
Non-derivative assets										
Cash and cash equivalent	21	1,298,920,721	1,298,941,384	1,298,941,384	-	-	-	-	-	1,298,941,384
Restricted reserve deposit	28	1,198,149,879	1,198,149,879	1,198,149,879	-	-	-	-	-	1,198,149,879
Non-pledged trading assets	22(a)	439,720,734	463,001,444	22,142,507	(11,568,351)	9,959,860	72,992,052	278,784,535	90,690,841	463,001,444
Loans and advances to customers	26	2,365,686,373	2,445,667,992	364,672,973	706,032,058	273,804,034	292,647,910	557,090,783	251,420,234	2,445,667,992
Asset pledged as collateral	25	104,900,576	243,823,586	1,183,837,000	2,367,673	3,551,510	7,300,326	66,111,020	163,309,221	243,823,587
Investment securities	24	2,035,651,897	2,074,767,872	61,494,846	89,802,905	110,824,766	90,584,718	344,479,840	1,377,580,797	2,074,767,872
Other financial assets (net)	27(a)	41,208,707	71,948,560	87,618,990	-	-	(2,801,880)	-	(12,868,550)	71,948,560
		7,484,238,887	7,796,300,717	3,034,204,416	786,634,285	398,140,170	460,723,126	1,246,466,178	1,870,132,543	7,796,300,718
Derivative assets										
Risk management:	23(a)	4,276,814	-	-	-	-	-	-	-	-
Inflow		-	1,566,497	-	-	1,566,497	-	-	-	1,566,497
Outflow		-	(1,045,781)	-	-	(1,045,781)	-	-	-	(1,045,781)
		4,276,814	520,716	-	-	520,716	-	-	-	520,716
Derivative liabilities										
Risk management:	23(b)	608,639	-	-	-	-	-	-	-	-
Inflow		-	2,046,053	-	-	2,046,053	-	-	-	2,046,053
Outflow		-	(1,047,721)	-	-	(1,047,721)	-	-	-	(1,047,721)
		608,639	998,332	-	-	998,332	-	-	-	998,332
Non-derivative liabilities										
Trading liabilities	22(b)	-	-	-	-	-	-	-	-	-
Deposits from banks	33	1,010,355,965	1,135,109,325	225,610,014	264,962,622	442,124,163	121,451,108	80,961,418	-	1,135,109,325
Deposits from customers	34	4,418,520,958	4,430,636,454	4,000,503,546	109,060,119	174,664,825	85,718,307	60,689,656	-	4,430,636,453
Borrowings	40	365,570,331	365,569,148	145,124,267	-	3,085,082	23,059,472	194,300,327	-	365,569,148
On-lending facilities	38	318,192,503	318,192,503	7,788,583	2,375,888	5,095,325	16,450,943	128,606,315	157,875,450	318,192,504
Debt securities issued	39	121,583,156	122,718,363	-	80,011,693	1,489,851	1,508,092	39,708,726	-	122,718,362
Other financial liabilities	36(a)	447,239,762	588,690,654	349,125,146	20,859,362	166,795,409	751,254	30,796,970	20,362,512	588,690,653
		6,681,462,675	6,960,916,447	4,728,151,556	477,269,684	793,254,655	248,939,176	535,063,412	178,237,962	6,960,916,445

Notes to the Consolidated and Separate Financial Statements

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31 DEC 2024

In thousands of Naira	Note	Carrying amount	Gross nominal inflow/ (outflow)	0 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1 - 5 years	Above 5 years	Total
Non-derivative assets										
Cash and cash equivalent	21	795,387,019	795,387,019	795,387,019	-	-	-	-	-	795,387,019
Restricted reserve deposit	28	1,441,465,091	1,441,465,091	-	-	-	1,441,465,091	-	-	1,441,465,091
Non-pledged trading assets	22(a)	319,109,270	823,278,788	14,701,067	16,484,428	31,078,107	63,589,569	326,118,617	371,306,999	823,278,788
Loans and advances to customers	26	2,357,303,173	2,485,078,216	1,247,966,260	113,213,078	88,414,324	164,782,439	560,044,771	310,657,344	2,485,078,216
Asset pledged as collateral	25	401,703,741	351,196,850	48,068	96,136	144,204	296,420	2,339,317	348,272,704	351,196,850
Investment securities	24	1,189,410,706	2,330,063,194	98,381,472	103,496,638	65,805,158	210,429,600	570,106,074	1,281,844,252	2,330,063,194
Other financial assets (net)	27(a)	419,870,245	487,451,088	46,495,458	-	-	291,285,520	144,972,201	4,697,909	487,451,088
		6,924,249,245	8,713,920,245	2,202,979,344	233,290,280	185,441,794	2,171,848,639	1,603,580,979	2,316,779,207	8,713,920,245
Derivative assets										
Risk management:	23(a)	1,451,932	-	-	-	-	-	-	-	-
Inflow		-	16,566,497	-	-	1,566,497	-	-	-	1,566,497
Outflow		-	(15,045,781)	-	-	(1,045,781)	-	-	-	(1,045,781)
		1,451,932	1,520,716	-	-	520,716	-	-	-	520,716.00
Derivative liabilities										
Risk management:	23(b)	2,608,146	-	-	-	-	-	-	-	-
Inflow		-	17,046,053	-	-	2,046,053	-	-	-	2,046,053
Outflow		-	(16,047,721)	-	-	(1,047,721)	-	-	-	(1,047,721)
		2,608,146	998,332	-	-	998,332	-	-	-	998,332.00
Non-derivative liabilities										
Trade liabilities		-	-	-	-	-	-	-	-	-
Deposits from banks	33	834,893,228	847,292,293	668,228,653	169,252,503	9,811,137	-	-	-	847,292,293
Deposits from customers	34	4,296,485,849	4,336,051,813	3,097,698,832	417,884,283	407,151,485	406,144,011	7,173,202	-	4,336,051,813
Borrowings	40	359,862,027	362,217,796	2,101,230	-	82,498,897	5,574,664	136,636,901	135,406,104	362,217,796
On-lending facilities	38	204,803,631	231,877,813	4,115,448	1,631,440	4,318,513	10,386,835	84,433,409	126,992,168	231,877,813
Debt securities issued	39	199,075,949	267,267,645	-	3,427,773	5,596,373	92,136,089	116,679,110	49,428,300	267,267,645
Other financial liabilities	36(a)	369,547,098	369,547,098	34,886,301	62,045,396	80,135,408	-	192,479,993	-	369,547,098
		6,264,667,782	6,414,254,458	3,807,030,464	654,241,395	589,511,813	514,241,598	537,402,616	311,826,572	6,414,254,458

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COMPANY

31 DEC 2025

In thousands of Naira	Note	Carrying amount	Gross nominal inflow/ (outflow)	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
Non-derivative assets										
Cash and cash equivalent	21	3,014,998	3,014,998	3,014,998	-	-	-	-	-	3,014,998
Restricted reserve deposit	28	-	-	-	-	-	-	-	-	-
Non-pledged trading assets	22(a)	-	-	-	-	-	-	-	-	-
Loans and advances to customers	26	-	-	-	-	-	-	-	-	-
Asset pledged as collateral	25	-	-	-	-	-	-	-	-	-
Investment securities	24	85,157,405	94,243,409	16,816,598	3,720,941	2,360,918	1,849,986	19,164,368	50,330,599	94,243,409
Other financial assets (net)	27(a)	25,972,082	26,194,374	35,641,091	-	-	10,384,879	-	-	26,194,374
		114,144,485	123,452,781	35,641,091	3,720,941	2,360,918	12,234,865	19,164,368	50,330,599	123,452,781
Non-derivative liabilities										
Deposits from banks	33	-	-	-	-	-	-	-	-	-
Deposits from customers	34	-	-	-	-	-	-	-	-	-
Borrowings	40	5,708,894	5,708,894	-	3,450,572	2,258,322	-	-	-	5,708,894
On-lending facilities	38	-	-	-	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-	-	-	-
Other financial liabilities	36(a)	18,540,316	18,540,316	17,173,847	-	-	-	1,366,469	-	18,540,316
		24,249,210	24,249,210	17,173,847	3,450,572	2,258,322	-	1,366,469	-	24,249,210
Net liquidity gap		89,895,275	99,203,571	18,467,244	270,369	102,596	12,234,865	17,797,899	50,330,599	127,203,571

31 DEC 2024

In thousands of Naira	Note	Carrying amount	Gross nominal inflow/ (outflow)	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
Non-derivative assets										
Cash and cash equivalent	21	14,371,980	14,371,980	14,371,980	-	-	-	-	-	14,371,980
Restricted reserve deposit	28	-	-	-	-	-	-	-	-	-
Non-pledged trading assets	22(a)	-	-	-	-	-	-	-	-	-
Loans and advances to customers	26	-	-	-	-	-	-	-	-	-
Asset pledged as collateral	25	-	-	-	-	-	-	-	-	-
Investment securities	24	68,603,349	75,813,808	-	-	-	-	-	75,813,808	75,813,808
Other financial assets (net)	27(a)	13,101,405	13,101,405	13,101,405	-	-	-	-	-	13,101,405
		96,076,734	103,287,193	27,473,385	-	-	-	-	75,813,808	103,287,193
Non-derivative liabilities										
Deposits from banks	33	-	-	-	-	-	-	-	-	-
Deposits from customers	34	-	-	-	-	-	-	-	-	-
Borrowings	40	5,320,125	5,574,664	-	-	-	5,574,664	-	-	5,574,664
On-lending facilities	38	-	-	-	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-	-	-	-
Other financial liabilities	36(a)	2,161,827	2,411,502	145,906	-	2,265,596	-	-	-	2,411,502
		7,481,952	7,986,166	145,906	-	2,265,596	5,574,664	-	-	7,986,166

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The amounts in the table above have been compiled as follows:

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities and financial assets	Undiscounted cash flows, which include estimated interest payments.
Derivative financial liabilities and financial assets held	Contractual undiscounted cash flows. The amounts shown are the gross nominal inflows and outflows for derivatives that have simultaneous gross settlement and the net amounts for derivatives that are net settled.
Trading derivative liabilities and assets forming part of the Group's proprietary trading operations that are expected to be closed out before contractual maturity	Fair values at the date of the statement of financial position. This is because contractual maturities are not reflective of the liquidity risk exposure arising from these positions. These fair values are disclosed in the 'less than 0-30 days' column.
Trading derivative liabilities and assets that are entered into by the Group with its customers	Contractual undiscounted cash flows. This is because these instruments are not usually closed out before contractual maturity and so the Group believes that contractual maturities are essential for understanding the timing of cash flows associated with these derivative positions.
Issued financial guarantee contracts, and unrecognised loan commitments	Earliest possible contractual maturity. For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called.

The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. The principal differences are as follows:

- demand deposits from customers are expected to remain stable or increase;
- unrecognised loan commitments are not all expected to be drawn down immediately; and
- retail mortgage loans have an original contractual maturity of between 10 and 15 years. But an average expected maturity of six years because customers take advantage of early repayment options.

As part of the management of liquidity risk arising from financial liabilities, the Group holds liquid assets comprising cash and cash equivalents, and debt securities issued by Central Bank of Nigeria, which can be readily sold to meet liquidity requirements. In addition, the Group maintains agreed lines of credit with other banks and holds unencumbered assets eligible for use as collateral with Central Banks.

iii. Liquidity reserves

The table below sets out the components of the Group's liquidity reserve.

In thousands of Naira	Note	31 DEC 2025		31 DEC 2024	
		Carrying amount	Fair value	Carrying amount	Fair value
Balances with central banks	21	16,589,816	16,589,816	20,057,451	20,057,451
Cash and balances with other banks	21	1,282,330,905	1,282,330,905	775,329,568	775,329,568
Unencumbered debt securities issued by Central Bank of Nigeria		1,771,642,149	2,206,441,017	1,059,653,341	1,478,120,781
Total liquidity reserve		3,070,562,870	3,505,361,738	1,855,040,360	2,273,507,800

Included in the unencumbered debt securities issued by central banks are; Federal Government of Nigeria (FGN) Bonds N1,19trillion (31 December 2024: N835.11billion), Treasury Bills N344.02billion (31 December 2024: N189.13billion) under note 23(a), 26(a) and (b).

Notes to the Consolidated and Separate Financial Statements

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iv. Financial assets available to support future funding

The table below shows availability of the Group's financial assets to support future funding:

31 DEC 2025

In thousands of Naira	Note	Encumbered		Unencumbered		Total
		Pledged as collateral	Other*	Available as collateral	Other**	
Cash and cash equivalents	21	-	-	1,298,920,721	-	1,298,920,721
Restricted reserve deposits	28	-	1,198,149,879	-	-	1,198,149,879
Non-pledged trading assets	22(a)	-	-	-	439,720,734	439,720,734
Loans and advances	26	-	-	-	2,365,686,373	2,365,686,373
Assets pledged as collateral	25	104,900,576	-	-	-	104,900,576
Investment securities	24	-	-	2,035,651,897	-	2,035,651,897
Other assets (net)	27	-	-	-	41,208,707	41,208,707
Total Assets		104,900,576	1,198,149,879	3,334,572,618	2,846,615,814	7,484,238,887

31 DEC 2024

In thousands of Naira	Note	Encumbered		Unencumbered		Total
		Pledged as collateral	Other*	Available as collateral	Other**	
Cash and cash equivalents	21	-	-	795,387,019	-	795,387,019
Restricted reserve deposits	28	-	1,441,465,091	-	-	1,441,465,091
Non-pledged Trading assets	22(a)	-	-	-	319,109,270	319,109,270
Loans and advances	26	-	-	-	2,357,303,173	2,357,303,173
Assets pledged as collateral	25	401,703,741	-	-	-	401,703,741
Investment securities	24	-	-	1,189,410,706	-	1,189,410,706
Other assets (net)	27	-	-	-	419,870,245	419,870,245
Total Assets		401,703,741	1,441,465,091	1,984,797,725	3,096,282,688	6,924,249,245

* Represents assets which are not pledged but the Group believes they are restricted (either by law or other reasons) from being used to secure funding.

** These are assets that are available i.e. not restricted as collateral to secure funding but the Group would not consider them as readily available in the course of regular business.

Financial assets pledged as collateral

The total financial assets recognised in the statement of financial position that had been pledged as collateral for liabilities at 31 December 2025 and 31 December 2024 is shown in the preceding table.

Financial assets are pledged as collateral as part of securities borrowing, clearing and client's collection transactions under terms that are usual and customary for such activities.

d. Market Risk

Market risk is the risk that changes in market prices such as interest rate, equity/commodity prices, foreign exchange rates will affect the Group's income or the value of its holdings in financial instruments. The objective of the Group's market risk management is to manage and control market risk exposures within acceptable parameters in order to ensure the Group's solvency while optimizing the return on risk.

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Management of market risk

Market risk is the risk that movements in market factors, including foreign exchange rates and interest rates, credit spreads and equity prices, will reduce the Group's income or the value of its portfolios. The Group classifies its market risk into asset and liability management (ALM) risk, investment risk and trading risk.

The Group separates its market risk exposures between trading and non-trading portfolios. Trading portfolios are mainly held by the Treasury and Financial Services Division and include positions from market making and proprietary positions taking, together with financial assets and liabilities that are managed on fair value basis. Non-trading portfolios are mainly held by Asset and Liability Management (ALM) Department and include portfolios held under amortised cost and fair value through other comprehensive income.

The Group has a robust methodology and procedures for the identification, assessment, control, monitoring and reporting of market risks within its trading portfolio and the rest of the

Group's balance sheet. The Market Risk Management Unit within Risk Management Division is responsible for measuring market risk exposures in accordance with the policies defined by the Board, monitoring and reporting the exposures against the prescribed limits.

Overall authority for market risk is vested by the Board in ALCO which sets up limits for each type of risk in aggregate. However, Market & Liquidity Risk Department within Risk Management is responsible for limit tracking and reporting to the Chief Risk Officer and ultimately, Assets and Liability Committee. The Group employs a range of tools to monitor and ensure risk acceptance is kept within defined limit. Detail of market risk exposures as at 31 December 2025 are provided below.

Market risk measures

The table below sets out the allocation of assets and liabilities subject to price risk, classified by trading and non-trading portfolio:

31 DEC 2025

In thousands of Naira	Note	GROUP			COMPANY		
		Carrying amount	Trading portfolios	Non-trading portfolios	Carrying amount	Trading portfolios	Non-trading portfolios
Assets subject to market risk:							
Cash and cash equivalents	21	1,298,920,721	-	1,298,920,721	3,014,998	-	3,014,998
Restricted reserve deposits	28	1,198,149,879	-	1,198,149,879	-	-	-
Non-pledged trading assets	22(a)	439,720,734	439,720,734	-	-	-	-
Derivative assets held for risk management	23(a)	4,276,814	-	4,276,814	-	-	-
Loans and advances to customers	26	2,365,686,373	-	2,365,686,373	-	-	-
Assets pledged as collateral	25	104,900,576	-	104,900,576	-	-	-
Investment securities	24	2,035,651,897	-	2,035,651,897	85,157,405	-	85,157,405
Other financial assets (net)	27(a)(c)	41,208,707	-	41,208,707	25,972,082	-	25,972,082
Liabilities subject to market risk:							
Derivative liabilities held for risk management	23(b)	608,639	-	608,639	-	-	-
Deposits from banks	33	1,010,355,965	-	1,010,355,965	-	-	-
Deposits from customers	34	4,418,520,958	-	4,418,520,958	-	-	-
Borrowings	40	365,570,331	-	365,570,331	5,708,894	-	5,708,894
On-lending facilities	38	318,192,503	-	318,192,503	-	-	-
Debt securities issued	39	121,583,156	-	121,583,156	-	-	-
Other financial liabilities	36(a)	447,239,762	-	447,239,762	18,540,316	-	18,540,316

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31 DEC 2024		GROUP			COMPANY		
<i>In thousands of Naira</i>	Note	Carrying amount	Trading portfolios	Non-trading portfolios	Carrying amount	Trading portfolios	Non-trading portfolios
Assets subject to market risk:							
Cash and cash equivalents	21	795,387,019	-	795,387,019	14,371,980	-	14,371,980
Restricted reserve deposits	28	1,441,465,091	-	1,441,465,091	-	-	-
Non-pledged trading assets	22(a)	319,109,270	319,109,270	-	-	-	-
Derivative assets held for risk management	23(a)	1,451,932	-	1,451,932	-	-	-
Loans and advances to customers	26	2,357,303,173	-	2,357,303,173	-	-	-
Assets pledged as collateral	25	401,703,741	-	401,703,741	-	-	-
Investment securities	24	1,189,410,706	-	1,189,410,706	68,603,349	-	68,603,349
Other financial assets (net)	27(a)(c)	419,870,245	-	419,870,245	13,101,405	-	13,101,405
Liabilities subject to market risk:							
Derivative liabilities held for risk management	23(b)	2,608,146	-	2,608,146	-	-	-
Deposits from banks	33	834,893,228	-	834,893,228	-	-	-
Deposits from customers	34	4,296,485,849	-	4,296,485,849	-	-	-
Borrowings	40	359,862,027	-	359,862,027	5,320,125	-	5,320,125
On-lending facilities	38	204,803,631	-	204,803,631	-	-	-
Debt securities issued	39	199,075,949	-	199,075,949	-	-	-
Other financial liabilities	36(a)	369,547,098	-	369,547,098	2,161,827	-	2,161,827

Exposure to interest rate risk – non-trading portfolios

The principal risk to which non-trading portfolios are exposed is the risk of loss arising from fluctuations in the fair values of future cash flows from financial instruments because of a change in the market interest rate. Interest rate risk is managed principally through active monitoring of gaps and by

having pre-approved limits for repricing bands. ALCO is the monitoring body for compliance with these limits and is assisted by Treasury and Financial Services Division.

A summary of the interest rate gap position on non-trading portfolios is as follows:

GROUP		31 DEC 2025			31 DEC 2024		
<i>In thousands of Naira</i>	Note	Carrying amount	Rate sensitive	Non-rate sensitive	Carrying amount	Rate sensitive	Non-rate sensitive
Assets							
Cash and cash equivalents	21	1,298,920,721	80,085,924	1,218,834,797	795,387,019	7,259,998	788,127,021
Restricted reserve deposits	28	1,198,149,879	-	1,198,149,879	1,441,465,091	-	1,441,465,091
Loans and advances to customers (gross)	26	2,475,470,182	2,475,470,182	-	2,485,078,216	2,485,078,216	-
Assets pledged as collateral	25	104,900,576	104,900,576	-	401,703,741	401,703,741	-
Investment securities	24	2,035,651,897	1,915,830,839	119,821,058	1,189,410,706	1,079,349,193	110,061,513
Other financial assets (gross)	27(a)	111,057,076	-	111,057,076	487,451,088	-	487,451,088
		7,224,150,331	4,576,287,521	2,647,862,810	6,800,495,861	3,973,391,148	2,827,104,713
Liabilities							
Deposits from banks	33	1,010,355,965	1,010,355,965	-	834,893,228	834,893,228	-
Deposits from customers	34	4,418,520,958	4,418,520,958	-	4,296,485,849	4,296,485,849	-
Borrowings	40	365,570,331	365,570,331	-	359,862,027	359,862,027	-
On-lending facilities	38	318,192,503	318,192,503	-	204,803,631	204,803,631	-
Debt securities issued	39	121,583,156	77,383,434	44,199,722	199,075,949	81,946,349	117,129,600
Other financial liabilities	36(a)	447,239,762	-	447,239,762	369,547,098	-	369,547,098
		6,681,462,675	6,190,023,191	491,439,484	6,264,667,782	5,777,991,084	486,676,698
Total interest repricing gap		542,687,656	(1,613,735,670)	2,156,423,325	535,828,079	(1,804,599,936)	2,340,428,015

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GROUP

<i>In thousands of Naira</i>	Note	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
31 DEC 2025								
Assets subject to market								
interest rate risk:								
Cash and cash equivalents	21	80,085,924	-	-	-	-	-	80,085,924
Loans and advances to customers (gross)	26	898,080,148	686,032,058	227,276,639	288,030,216	124,630,887	251,420,234	2,475,470,182
Assets pledged as collateral	25	-	-	-	-	21,570,868	83,329,708	104,900,576
Investment securities	24	65,927,546	89,802,905	110,824,766	90,584,718	344,479,840	1,214,211,064	1,915,830,839
		1,044,093,618	775,834,963	338,101,405	378,614,934	490,681,595	1,548,961,006	4,576,287,521
Liabilities subject to market								
interest rate risk:								
Deposits from banks	33	497,851,565	121,911,672	275,219,862	115,372,866	-	-	1,010,355,965
Deposits from customers	34	3,677,135,947	460,626,809	108,367,013	172,391,189	-	-	4,418,520,958
Borrowings	40	145,125,450	-	3,085,082	23,059,472	194,300,327	-	365,570,331
On-lending facilities	38	4,879,702	7,703,608	4,309,250	13,024,812	104,370,567	183,904,564	318,192,503
Debt securities issued	39	-	35,865,703	-	-	-	41,517,731	77,383,434
		4,324,992,664	626,107,792	390,981,207	323,848,339	298,670,894	225,422,295	6,190,023,191
Total interest repricing gap		(3,280,899,046)	149,727,171	(52,879,802)	54,766,595	192,010,701	1,323,538,711	(1,613,735,670)

31 DEC 2024

<i>In thousands of Naira</i>	Note	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
Assets subject to market								
interest rate risk:								
Cash and cash equivalents	21	7,259,998	-	-	-	-	-	7,259,998
Loans and advances to customers (gross)	26	1,279,898,540	113,213,078	56,482,044	164,782,439	560,044,771	310,657,344	2,485,078,216
Assets pledged as collateral	25	-	10,400,000	27,694,343	28,151,398	73,655,292	261,802,708	401,703,741
Investment securities	24	118,188,656	110,320,208	37,000,000	95,027,014	87,021,902	631,791,413	1,079,349,193
		1,405,347,194	233,933,286	121,176,387	287,960,851	720,721,965	1,204,251,465	3,973,391,148
Liabilities subject to market								
interest rate risk:								
Deposits from banks	33	655,829,588	169,252,503	9,811,137	-	-	-	834,893,228
Deposits from customers	34	3,005,857,292	470,159,859	407,151,485	406,144,011	7,173,202	-	4,296,485,849
Borrowings	40	87,819,022	-	-	-	136,636,901	135,406,104	359,862,027
On-lending facilities	38	4,115,449	1,631,440	4,318,513	10,379,842	84,382,369	99,976,018	204,803,631
Debt securities issued	39	-	-	-	72,260,850	-	9,685,499	81,946,349
		3,753,621,351	641,043,802	421,281,135	488,784,703	228,192,472	245,067,621	5,777,991,084
Total interest repricing gap		(2,348,274,157)	(407,110,516)	(300,104,748)	(200,823,852)	492,529,493	959,183,844	(1,804,599,936)

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COMPANY

In thousands of Naira	Note	31 DEC 2025			31 DEC 2024		
		Carrying amount	Rate sensitive	Non-rate sensitive	Carrying amount	Rate sensitive	Non-rate sensitive
Assets							
Cash and cash equivalents	21	3,014,998	-	3,014,998	14,371,980	-	14,371,980
Restricted reserve deposits	25	-	-	-	-	-	-
Loans and advances to customers (gross)	26	-	-	-	-	-	-
Assets pledged as collateral	25	-	-	-	-	-	-
Investment securities	24	85,157,405	85,157,405	-	68,603,349	68,603,349	-
Other financial assets (gross)	27(a)	26,194,374	-	26,194,374	13,286,972	-	13,286,972
		114,366,777	85,157,405	29,209,372	96,262,301	68,603,349	27,658,952
Liabilities							
Deposits from banks	33	-	-	-	-	-	-
Deposits from customers	34	-	-	-	-	-	-
Borrowings	40	5,708,894	5,708,894	-	5,320,125	5,320,125	-
On-lending facilities	38	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-
Other financial liabilities	36(a)	18,540,316	-	18,540,316	2,161,827	-	2,161,827
		24,249,210	5,708,894	18,540,316	7,481,952	5,320,125	2,161,827
Total interest repricing gap		90,117,567	79,448,511	10,669,056	88,780,349	63,283,224	25,497,125

COMPANY

In thousands of Naira	Note	0 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	1 - 5 years	Above 5 years	Total
31 DEC 2025								
Assets subject to market risk:								
Cash and cash equivalents	21	-	-	-	-	-	-	-
Loans and advances to customers (gross)	26	-	-	-	-	-	-	-
Assets pledged as collateral	25	-	-	-	-	-	-	-
Investment securities	24	7,164,528	-	18,812,084	2,194,199	-	56,986,594	85,157,405
		7,164,528	-	18,812,084	2,194,199	-	56,986,594	85,157,405
Liabilities subject to market risk:								
Deposits from banks	33	-	-	-	-	-	-	-
Deposits from customers	34	-	-	-	-	-	-	-
Borrowings	40	-	-	-	-	5,708,894	-	5,708,894
On-lending facilities	38	-	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-	-
		-	-	-	-	5,708,894	-	5,708,894
Total interest repricing gap		7,164,528	-	18,812,084	2,194,199	(5,708,894)	56,986,594	79,448,511

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31 DEC 2024

<i>In thousands of Naira</i>	Note	0 – 30 days	31 – 90 days	91 – 180 days	181 – 365 days	1 – 5 years	Above 5 years	Total
Assets subject to market interest rate risk:								
Cash and cash equivalents	21	-	-	-	-	-	-	-
Loans and advances to customers (gross)	26	-	-	-	-	-	-	-
Assets pledged as collateral	25	-	-	-	-	-	-	-
Investment securities	24	2,394,609	-	-	7,714,288	45,457,558	13,036,894	68,603,349
		2,394,609	-	-	7,714,288	45,457,558	13,036,894	68,603,349
Liabilities subject to market risk:								
Deposits from banks	33	-	-	-	-	-	-	-
Deposits from customers	34	-	-	-	-	-	-	-
Borrowings	40	-	-	-	5,320,125	-	-	5,320,125
On-lending facilities	38	-	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-	-
		-	-	-	5,320,125	-	-	5,320,125
Total interest repricing gap		2,394,609	-	-	2,394,163	45,457,558	13,036,894	63,283,224

Sensitivity of projected net interest income

The management of interest rate risk against interest rate gap is supplemented by monitoring the sensitivity of the Group's financial assets and liabilities to various standard and non standard interest rate scenarios. Standard scenarios that are considered on a monthly basis include a 50 basis points and 100 basis points (bps) parallel fall or rise. The financial assets and liabilities sensitive to interest rate risk are loans and

advances, cash and cash equivalents (placements), assets pledged as collateral (treasury bills and FGN bonds), investment securities (treasury bills, FGN bonds, state government bonds and corporate bonds) and deposits from banks, deposits from customers, borrowings, on-lending facilities and debt securities issued. A weighted average rate has been applied and the effects are shown in the table below:

GROUP

31 DEC 2025

<i>In thousands of Naira</i>	Gross amount	Weighted average interest rate	Interest due at current weighted average rate	50bps	(50bps)	100bps	Total (100bps)
Non-trading assets subject to rate sensitivity	4,576,287,521	22%	1,005,329,106	1,028,210,544	982,447,668	1,051,091,981	959,566,231
Non-trading liabilities subject to rate sensitivity	6,190,023,191	8%	(499,422,106)	(530,372,222)	(468,471,990)	(561,322,338)	(437,521,874)
			505,907,000	497,838,322	513,975,678	489,769,643	522,044,357
Impact on net interest income				(8,068,678)	8,068,678	(16,137,357)	16,137,357

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GROUP

31 DEC 2024

<i>In thousands of Naira</i>	Gross amount	Weighted average interest rate	Interest due at current weighted average rate	50bps	(50bps)	100bps	Total (100bps)
Non-trading assets subject to rate sensitivity	3,973,391,148	16%	621,803,795	641,670,751	601,936,839	661,537,706	582,069,884
Non-trading liabilities subject to rate sensitivity	5,777,991,084	7%	(396,503,592)	(425,393,547)	(367,613,637)	(454,283,503)	(338,723,681)
			225,300,203	216,277,204	234,323,202	207,254,203	243,346,203
Impact on net interest income				(9,022,999)	9,022,999	(18,046,000)	18,046,000

COMPANY

31 DEC 2025

<i>In thousands of Naira</i>	Gross amount	Weighted average interest rate	Interest due at current weighted average rate	50bps	(50bps)	100bps	Total (100bps)
Non-trading assets subject to rate sensitivity	85,157,405	10%	8,151,804	8,577,591	7,726,017	9,003,378	7,300,230
Non-trading liabilities subject to rate sensitivity	5,708,894	22%	(1,265,968)	(1,294,512)	(1,237,424)	(1,323,057)	(1,208,879)
			6,885,836	7,283,079	6,488,593	7,680,321	6,091,351
Impact on net interest income				397,243	(397,243)	794,485	(794,485)

31 DEC 2024

<i>In thousands of Naira</i>	Gross amount	Weighted average interest rate	Interest due at current weighted average rate	50bps	(50bps)	100bps	Total (100bps)
Non-trading assets subject to rate sensitivity	68,603,349	13%	8,857,206	9,200,223	8,514,189	9,543,239	8,171,173
Non-trading liabilities subject to rate sensitivity	5,320,125	17%	(928,052)	(954,653)	(901,451)	(981,253)	(874,851)
			7,929,154	8,245,570	7,612,738	8,561,986	7,296,322
Impact on net interest income				316,416	(316,416)	632,832	(632,832)

Exposure to other market risk: non-trading portfolios

The non trading book includes the loans, deposits, investments, placements, etc. Price risk in non-trading portfolios is measured with portfolio duration and convexity. The sensitivity of earnings to specified upward and downward instantaneous parallel 50 and 100 basis point shifts in the yield curve, over one-year horizon under business-as-usual conditions

assuming static portfolio indicates the potential risk.

Exposure to market risk – trading portfolios

The principal tools used by Treasury Risk Management Department to measure and control market risk exposure within the Group's trading portfolios are the Open Position limits, Mark-to-Market Analysis, Value at-Risk Analysis,

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Sensitivity Analysis and the Earning-at-Risk Analysis. Limit measurements (regulatory and internal) across the trading portfolios have been clearly defined, in line with the Group's risk appetite. These set limits shall prevent undue exposure in the event of abrupt market volatility. The Treasury Risk Management Department ensures that these limits and triggers are adhered to by the Treasury Division.

The trading book includes the treasury bills and FGN bonds. The sensitivity to earnings was not considered because it does not have material impact on earnings.

Foreign exchange risk

FCMB takes on foreign exchange risks through its activities in both the trading and banking books. The Group engages in currency trading on behalf of itself and creates foreign currency positions on the banking book in the course of its

financial intermediation role. The Group is thus exposed to the risk of loss on both its trading and banking book positions in the event of adverse movements in currency prices. The mark-to-market currency rates applied are the rates published by Central Bank of Nigeria.

However, the Group sets exposure limits (open position limits) at currency levels and uses a combination of counterparty, dealer and stop loss limits to manage market risks inherent in all foreign currency trading positions. All limits are set for both overnight and intra-day positions and approved by the Board of Directors. Compliance with the Board approved limits is enforced through daily monitoring by the Risk Management Division.

The table below summarises foreign currency exposures of the Group as at the year ended.

GROUP 31 DEC 2025

<i>In thousands of Naira</i>	Note	NGN	USD	GBP	EUR	Others	Grand total
Assets							
Cash and cash equivalents	21	115,605,348	1,121,075,967	30,550,528	31,429,721	259,157	1,298,920,721
Restricted reserve deposit	28	1,198,149,879	-	-	-	-	1,198,149,879
Non-pledged trading assets	22(a)	439,720,734	-	-	-	-	439,720,734
Derivative assets held for risk management	23(a)	3,436.00	4,273,378	-	-	-	4,276,814
Loans and advances (net)	26	1,013,898,904	1,349,799,495	274,657	1,713,317	-	2,365,686,373
Investment securities	24	1,493,979,339	541,672,558	-	-	-	2,035,651,897
Asset pledged as collateral	25	104,900,576	-	-	-	-	104,900,576
Other assets	27	32,952,111	8,242,759	-	13,837	-	41,208,707
Total assets		4,399,210,327	3,025,064,157	30,825,185	33,156,875	259,157	7,488,515,701
Liabilities							
Deposits from customers	34	2,758,405,027	1,628,617,816	16,368,336	15,129,742	37	4,418,520,958
Deposits from banks	33	44,003,756.00	966,352,209	-	-	-	1,010,355,965
Borrowings	40	145,125,450	220,444,881	-	-	-	365,570,331
On-lending facilities	38	318,192,503	-	-	-	-	318,192,503
Debt securities issued	39	96,239,195	25,343,961	-	-	-	121,583,156
Derivative liability held for risk management	23(b)	-	605,204	-	-	-	605,204
Provision	37	4,583,992	7,234,416	-	-	-	11,818,408
Other liabilities	36	311,293,840	128,133,158	1,622,204	5,929,652	260,908	447,239,762
Total liabilities		3,677,843,763	2,976,731,645	17,990,540	21,059,394	260,945	6,693,886,287
Net on-balance sheet financial position		721,366,564	48,332,512	12,834,645	12,097,481	(1,788)	794,629,414
Off-balance sheet financial position	44	534,676,408	293,490,815	154,679	1,765,739	-	830,087,641

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

31 DEC 2024

<i>In thousands of Naira</i>	Note	NGN	USD	GBP	EUR	Others	Grand total
Assets							
Cash and cash equivalents	21	38,057,994	695,277,699	27,188,123	34,081,346	781,857	795,387,019
Restricted reserve deposit	28	1,441,465,091	-	-	-	-	1,441,465,091
Non-pledged trading assets	22(a)	319,109,270	-	-	-	-	319,109,270
Derivative assets held for risk management	23(a)	(93,573)	1,545,505	-	-	-	1,451,932
Loans and advances (net)	26	830,562,412	1,524,356,683	275,285	2,108,793	-	2,357,303,173
Investment securities	24	1,105,694,198	83,716,508	-	-	-	1,189,410,706
Asset pledged as collateral	25	401,703,741	-	-	-	-	401,703,741
Other assets	27	58,242,726	387,701,195	98,353	26,442	-	446,068,716
Total assets		4,194,741,859	2,692,597,590	27,561,761	36,216,581	781,857	6,951,899,648
Liabilities							
Trading liabilities	22(b)	-	-	-	-	-	-
Deposits from customers	34	2,752,661,497	1,517,338,929	12,861,923	13,623,460	40	4,296,485,849
Deposits from banks	33	211,862,602	623,030,626	-	-	-	834,893,228
Borrowings	40	87,819,022	272,043,005	-	-	-	359,862,027
On-lending facilities	38	204,803,631	-	-	-	-	204,803,631
Debt securities issued	39	17,606,350	181,469,599	-	-	-	199,075,949
Derivative liability held for risk management	23(b)	-	2,608,146	-	-	-	2,608,146
Provision	37	5,254,364	7,767,882	-	-	-	13,022,246
Other liabilities	36	159,344,653	237,692,868	1,350,678	12,238,553	784,452	411,411,204
Total liabilities		3,439,352,119	2,841,951,055	14,212,601	25,862,013	784,492	6,322,162,280
Net on-balance sheet financial position		755,389,740	(149,353,465)	13,349,160	10,354,568	(2,635)	629,737,368
Off-balance sheet financial position	44	561,288,192	144,838,957	-	-	-	706,127,149

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FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY

31 DEC 2025

<i>In thousands of Naira</i>	Note	NGN	USD	GBP	EUR	Others	Grand total
Assets							
Cash and cash equivalents	21	1,727,113	1,251,605	35,108	1,172	-	3,014,998
Restricted reserve deposit	28	-	-	-	-	-	-
Non-pledged trading assets	22(a)	-	-	-	-	-	-
Loans and advances (net)	26	-	-	-	-	-	-
Investment securities	24	66,029,910	19,127,495	-	-	-	85,157,405
Investment in subsidiaries	29	295,894,665	-	-	-	-	295,894,665
Asset pledged as collateral	25	-	-	-	-	-	-
Other assets	27	25,972,082	-	-	-	-	25,972,082
Total assets		389,623,769	20,379,100	35,108	1,172	-	410,039,150
Liabilities							
Deposits from customers	34	-	-	-	-	-	-
Deposits from banks	33	-	-	-	-	-	-
Borrowings	40	5,708,894	-	-	-	-	5,708,894
On-lending facilities	38	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-
Provision	37	-	-	-	-	-	-
Other liabilities	36	18,540,316	-	-	-	-	18,540,316
Total liabilities		24,249,210	-	-	-	-	24,249,210
Net on-balance sheet financial position		365,374,560	20,379,100	35,108	1,172	-	385,789,940
Off-balance sheet financial position	44	-	-	-	-	-	-

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FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY

31 DEC 2024

<i>In thousands of Naira</i>	Note	NGN	USD	GBP	EUR	Others	Grand total
Assets							
Cash and cash equivalents	21	14,348,656	1,180	21,029	1,116	-	14,371,980
Restricted reserve deposit	28	-	-	-	-	-	-
Non-pledged trading assets	22(a)	-	-	-	-	-	-
Loans and advances (net)	26	-	-	-	-	-	-
Investment securities	24	53,171,847	15,431,502	-	-	-	68,603,349
Investment in subsidiaries	29	273,168,431	-	-	-	-	273,168,431
Asset pledged as collateral	25	-	-	-	-	-	-
Other assets	27	13,219,384	-	-	-	-	13,219,384
Total assets		353,908,318	15,432,682	21,029	1,116	-	369,363,144
Liabilities							
Trading liabilities	22(b)	-	-	-	-	-	-
Deposits from customers	34	-	-	-	-	-	-
Deposits from banks	33	-	-	-	-	-	-
Borrowings	40	5,320,125	-	-	-	-	5,320,125
On-lending facilities	38	-	-	-	-	-	-
Debt securities issued	39	-	-	-	-	-	-
Provision	37	-	-	-	-	-	-
Other liabilities	36	3,760,605	-	-	-	-	3,760,605
Total liabilities		9,080,730	-	-	-	-	9,080,730
Net on-balance sheet financial position		344,827,588	15,432,682	21,029	1,116	-	360,282,414
Off-balance sheet financial position	44	-	-	-	-	-	-

In line with Central Bank of Nigeria guidelines, percentage of foreign borrowings to the shareholders' fund as at 31 December 2025 is 58.29% (31 December 2024: 77.52%) which is below the limit of 125%.

Exposure to currency risks – non-trading portfolios

At 31 December 2025, if foreign exchange rates at that date had been 80 percent lower with all other variables held constant, profit and equity for the period would have been N58.61billion (31 December 2024: N100.59billion) lower, arising mainly as a result of the decrease in revaluation of loans as compared to borrowings, foreign currency deposits and other foreign currency liabilities. If foreign exchange rates had been 80 percent higher, with all other variables held constant, profit and equity would have been N58.61billion (31 December 2024: N100.59billion) higher, arising mainly as a result of higher

increase in revaluation of loans and advances than the increase on borrowings, foreign currency deposits and other foreign currency liabilities.

Foreign exchange risk (USD)

The following analysis details the Group's sensitivity to a 80 percent increase and decrease in the value of the Naira against USD. 80 percent is the sensitivity rate used when reporting foreign currency risk internally and represents management's assessment of the reasonably possible change in foreign exchange rates. The table below summarises the impact on profit or loss and equity for each category of USD financial instruments held as at 31 December 2025. It includes the Group's USD financial instruments carried at Nigerian Autonomous Foreign Exchange Rate Fixing (NAFEX) rate at N1,479.44/\$.

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FOR THE YEAR ENDED 31 DECEMBER 2025

GROUP

In thousands of Naira	31 DEC 2025			31 DEC 2024		
	Carrying amount	80% decrease in the value of Naira against USD	80% increase in the value of Naira against USD	Carrying amount	10% decrease in the value of Naira against USD	10% increase in the value of Naira against USD
Financial assets						
Cash and cash equivalents	1,121,075,967	896,860,774	(896,860,774)	695,277,699	556,222,159	(556,222,159)
Derivative assets held for risk management	4,273,378	3,418,702	(3,418,702)	1,545,505	1,236,404	(1,236,404)
Loans and advances to customers	1,349,799,495	1,079,839,596	(1,079,839,596)	1,524,356,683	1,219,485,346	(1,219,485,346)
Investment securities	541,672,558	433,338,046	(433,338,046)	83,716,508	66,973,206	(66,973,206)
Other assets	8,242,759	6,594,207	(6,594,207)	387,701,195	310,160,956	(310,160,956)
Impact on financial assets	3,025,064,157	2,420,051,325	(2,420,051,325)	2,692,597,590	2,154,078,071	(2,154,078,071)
Financial liabilities						
Deposits from banks	966,352,209	773,081,767	(773,081,767)	623,030,626	498,424,501	(498,424,501)
Deposits from customers	1,628,617,816	1,302,894,253	(1,302,894,253)	1,517,338,929	1,213,871,143	(1,213,871,143)
Borrowings	220,444,881	176,355,905	(176,355,905)	272,043,005	217,634,404	(217,634,404)
Debt securities issued	25,343,961	20,275,169	(20,275,169)	181,469,599	145,175,679	(145,175,679)
Derivative liabilities held for risk management	605,204	484,163	(484,163)	2,701,718	2,161,374	(2,161,374)
Provision	7,234,416	5,787,533	(5,787,533)	7,767,882	6,214,306	(6,214,306)
Other liabilities	128,133,158	102,506,526	(102,506,526)	237,692,868	190,154,294	(190,154,294)
Impact on financial liabilities	2,976,731,645	2,381,385,316	(2,381,385,316)	2,842,044,627	2,273,635,701	(2,273,635,701)
Total increase / (decrease)	48,332,512	38,666,009	(38,666,009)	(149,447,037)	(119,557,630)	119,557,630

COMPANY

In thousands of Naira	31 DEC 2025			31 DEC 2024		
	Carrying amount	80% decrease in the value of Naira against USD	80% increase in the value of Naira against USD	Carrying amount	10% decrease in the value of Naira against USD	10% increase in the value of Naira against USD
Financial assets						
Cash and cash equivalents	1,251,605	1,001,284	(1,001,284)	1,180	944	(944)
Loans and advances to customers	-	-	-	-	-	-
Investment securities	19,127,495	15,301,996	(15,301,996)	15,431,502	12,345,202	(12,345,202)
Other assets	-	-	-	-	-	-
Impact on financial assets	20,379,100	16,303,280	(16,303,280)	15,432,682	12,346,146	(12,346,146)
Financial liabilities						
Deposits from banks	-	-	-	-	-	-
Deposits from customers	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-
Debt securities issued	-	-	-	-	-	-
Provision	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Impact on financial liabilities	-	-	-	-	-	-
Total increase / (decrease)	20,379,100	16,303,280	(16,303,280)	15,432,682	12,346,146	(12,346,146)

Notes to the Consolidated and Separate Financial Statements

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Foreign exchange risk (GBP)

The following analysis details the Group's sensitivity to a 80 percent increase and decrease in the value of the Naira against GBP. 80 percent is the sensitivity rate used when reporting foreign currency risk internally and represents

management's assessment of the reasonably possible change in foreign exchange rates. The table below summarises the impact on profit or loss and equity for each category of GBP financial instruments held as at 31 December 2025. It includes the Group's GBP financial instruments at carrying amounts.

GROUP

In thousands of Naira	31 DEC 2025			31 DEC 2024		
	Carrying amount	80% decrease in the value of Naira against GBP	80% increase in the value of Naira against GBP	Carrying amount	10% decrease in the value of Naira against GBP	10% increase in the value of Naira against GBP
Financial assets						
Cash and cash equivalents	30,550,528	24,440,422	(24,440,422)	27,188,123	21,750,498	(21,750,498)
Loans and advances to customers	274,657	219,726	(219,726)	275,285	220,228	(220,228)
Other assets	-	-	-	98,353	78,682	(78,682)
Impact on financial assets	30,825,185	24,660,148	(24,660,148)	27,561,761	22,049,408	(22,049,408)
Financial liabilities						
Deposits from customers	16,368,336	13,094,669	(13,094,669)	12,861,923	10,289,538	(10,289,538)
Other liabilities	1,622,204	1,297,763	(1,297,763)	1,350,678	1,080,542	(1,080,542)
Impact on financial liabilities	17,990,540	14,392,432	(14,392,432)	14,212,601	11,370,080	(11,370,080)
Total increase / (decrease)	12,834,645	10,267,716	(10,267,716)	13,349,160	10,679,328	(10,679,328)

COMPANY

In thousands of Naira	31 DEC 2025			31 DEC 2024		
	Carrying amount	80% decrease in the value of Naira against GBP	80% increase in the value of Naira against GBP	Carrying amount	10% decrease in the value of Naira against GBP	10% increase in the value of Naira against GBP
Financial assets						
Cash and cash equivalents	35,108	28,086	(28,086)	21,029	16,823	(16,823)
Loans and advances to customers	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Impact on financial assets	35,108	28,086	(28,086)	21,029	16,823	(16,823)
Financial liabilities						
Deposits from customers	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Impact on financial liabilities	-	-	-	-	-	-
Total increase / (decrease)	35,108	28,086	(28,086)	21,029	16,823	(16,823)

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Foreign exchange risk (EUR)

The following analysis details the Group's sensitivity to a 80 percent increase and decrease in the value of the Naira against EUR. 80 percent is the sensitivity rate used when reporting foreign currency risk internally and represents

management's assessment of the reasonably possible change in foreign exchange rates. The table below summarises the impact on profit or loss and equity for each category of EUR financial instruments held as at 31 December 2025. It includes the Group's EUR financial instruments at carrying amounts.

GROUP

In thousands of Naira	31 DEC 2025			31 DEC 2024		
	Carrying amount	80% decrease in the value of Naira against EUR	80% increase in the value of Naira against EUR	Carrying amount	10% decrease in the value of Naira against EUR	10% increase in the value of Naira against EUR
Financial assets						
Cash and cash equivalents	31,429,721	25,143,777	(25,143,777)	34,081,346	27,265,077	(27,265,077)
Loans and advances to customers	1,713,317	1,370,654	(1,370,654)	2,108,793	1,687,034	(1,687,034)
Other assets	13,837	11,070	(11,070)	26,442	21,154	(21,154)
Impact on financial assets	33,156,875	26,525,501	(26,525,501)	36,216,581	28,973,265	(28,973,265)
Financial liabilities						
Deposits from customers	15,129,742	12,103,794	(12,103,794)	13,623,460	10,898,768	(10,898,768)
Other liabilities	5,929,652	4,743,722	(4,743,722)	12,238,553	9,790,842	(9,790,842)
Impact on financial liabilities	21,059,394	16,847,516	(16,847,516)	25,862,013	20,689,610	(20,689,610)
Total increase / (decrease)	12,097,481	9,677,985	(9,677,985)	10,354,568	8,283,655	(8,283,655)

COMPANY

In thousands of Naira	31 DEC 2025			31 DEC 2024		
	Carrying amount	80% decrease in the value of Naira against EUR	80% increase in the value of Naira against EUR	Carrying amount	10% decrease in the value of Naira against EUR	10% increase in the value of Naira against EUR
Financial assets						
Cash and cash equivalents	1,172	938	(938)	1,116	893	(893)
Loans and advances to customers	-	-	-	-	-	-
Other assets	-	-	-	-	-	-
Impact on financial assets	1,172	938	(938)	1,116	893	(893)
Financial liabilities						
Deposits from customers	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Impact on financial liabilities	-	-	-	-	-	-
Total increase / (decrease)	1,172	938	(938)	1,116	893	(893)

Notes to the Consolidated and Separate Financial Statements

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(e) Operational Risk Management

FCMB defines operational risk as the risk of loss resulting from inadequate or failed internal processes, people and systems and/or from external events. Our operational risk processes capture the following major types of losses/exposures:

- Fraud (internal and external)
- Fines, penalties or expenses incurred as a result of settlement delays and regulatory infractions
- Losses arising from litigation processes including out-of-court settlement
- Un-reconciled cash (teller, vault, ATM) shortages written-off in the course of the period
- Losses incurred as a result of damages to physical assets
- Losses incurred as a result of disruption to business or system failure - system malfunction, downtime and/or disruption.

The Group's appetite for operational risk losses is set by the Board Risk Management Committee and reviewed on an annual basis, and this sets the tone for operational risk management practices in the course of the period. The appetite is set in terms of the maximum amount of operational risk losses the Group expects to incur given risk-reward considerations for the period.

All business and process owners across the Group proactively identifies threats/risks across their respective functions, activities, processes and systems using the process risk assessment and risk and control self-assessment (RCSA). The Risk Management Division validates the results from the assessments for reasonability, completeness and recommends appropriate mitigating controls to reduce or eliminate inherent process risks. The Group conducts RCSA twice in a year and there is regular update of the risk register, triggered by change(s) to processes, activities, systems or other factors such as introduction of new product/service or the occurrence of risk events.

The results of the process risk assessments and completed RCSAs are further subjected to analysis by the Risk Management Department in order to understand the major threats to the achievement of corporate objectives and their root causes. The outcomes of such assessments, apart from being escalated to the Executive Management and Board, are useful for improving the control environment.

They are a risk-based form of addressing major issues that cut across all functions in the Group, thereby increasing effectiveness and efficiency of resolution. The Group also conducts risk assessment for all new products and services, including any major changes to existing products, services and processes.

Key Risk Indicators are used to track/measure as well as monitor operational risk exposures across all activities, processes and systems. Key Risk Indicators (KRIs) are defined for significant risks that require active monitoring and control. This process enables the Group to identify and resolve risk issues and control failure points before they crystallize into losses. Thresholds are set for each risk indicator and used as the basis for reporting risk exposures to the respective risk committees, including the Operational Risk Committee and the Board Risk & Compliance Committee (BRCC)

Operational risk losses are periodically collated and analyzed by the Risk Management Division. The analyzed loss experience enables the Group to determine causal factors and put in place new controls/processes to prevent the re-occurrence of adverse events. In addition, the loss collation and analysis process provides the Group with the basis for justifying the cost of new/improving controls and assessing their effectiveness.

The Group's loss experience is escalated to the Board Risk Management Committee supported by clearly defined action plans to remediate the root causes leading to the losses. Periodic operational risk meetings are held across all functions to boost risk awareness and entrench risk management culture in the Group. This meeting also affords risk owners to enhance their knowledge of risk management, identify control gaps and proffer remedial actions.

Operational risk management processes have been linked to performance management through the use of a Risk and Control Index (R&CI) that represents a key component of employee performance appraisals. This initiative has helped to drive the desired behaviour in employees, ensuring that there is a concerted effort by all employees to manage operational risks across the Group.

Independent assurance of the adequacy and effectiveness of the operational risk management process is provided by the

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Group Internal Audit (GIA) function on an annual basis. The assessment report is presented to the Board Risk Management Committee as part of the annual review process.

The Group uses a combination of provision and insurance to mitigate residual risks arising from operational risk events. A number of insurance policies have been undertaken by the Group to minimize losses in the event of an operational risk incident while provision is also made for expected operational risk losses in order to minimise variations in the financial performance of the Group.

Capital is reserved for unexpected operational risks losses based on Basel II Basic Indicator Approach, as advised by the Central Bank of Nigeria. Enhanced operational risk practices will enable the Group adopt the more advanced approaches for operational risk capital computation in the near future - the Revised Standardized Approach.

The implemented operational risk management structures provide the Group with the capacity to continuously improve its processes and controls, thereby minimizing losses and protecting shareholder value. The Operational risk management processes have been automated and the Operational Risk Champions across all functions of the organization report operational risk incidents using the operational risk management software.

Operational risk loss experience

The Group continues to manage its various operational risk exposures in order to be within the Board approved risk appetite. It also ensures that all operational risk losses are recognised immediately in the financial year.

In line with the provisions of the Basel II Accord, operational risk within credit and market risks is duly recognised for effective management. Boundary events are considered when capturing operational risk events in the loss database which implies that only incidents considered to have operational risk undertone in other risk areas are considered.

Existing controls have been strengthened to address the identified lapses and the Group continues to collaborate with other stakeholders, including regulators to curb the spate of fraud, including cyber risk exposures, which has escalated in recent times across the industry because of remote opera-

tions, increased automation and migration of customers to alternate channels.

In response to the observed trend, and emerging risks, the Group took the following measures to curb the spate of operational risk events:

- Establishment of a fraud monitoring desk.
- Implementation of an operational risk management software and automation of the operational risk management process.
- Implementation of an enterprise fraud monitoring solution.
- Implementation of an automated fraud alert system that monitors suspicious inflow (transactions from other banks) and outflow transactions from various e-channel platforms based on fraud trends.
- Monthly operational risk/ fraud awareness tips sent to customers and periodic fraud awareness training for staff.
- Proactive implementation of fraud prevention rules on transacting applications based on global and local fraud trends, and in line with the Bank's risk appetite.
- Activities around the major areas of vulnerabilities are reviewed in order to strengthen the controls in these areas.
- A second level (two-factor) authentication is being extended to critical internal and alternate channel applications.

Information/ cyber security management has received increased attention in the Group. The information security office (ISO) has been restructured to improve security monitoring and incident response. Also, the Group has developed a Cyber Security Strategy and approved the implementation of security tools including the Security Operations Centre (SOC). Implementation of the cybersecurity strategy has reached an advanced stage with requisite skills upgrade within the Information Security Office and the appointment of a Chief Information security Officer (CISO).

Operational risk management function in FCMB extends to the management of legal, reputational and strategic risks.

Strategic risk: the risk of incurring an economic loss as a result of adverse impact of internal and external factors on the Group's earnings and/or ability to achieve its strategic

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objectives. It is the current or prospective risk to earnings and capital arising from adverse business decisions, improper implementation of decisions or lack of responsiveness to changes in the business environment. It is also the risk associated with future business plans and strategies, including plans for entering new business lines, expanding existing services and enhancing infrastructure.

The Group is exposed to strategic risks in its business planning activities and to strategic execution risk in all key operations impacted by the Group's strategy. The crystallization of this risk could occur as a result of wrong strategic/ business decisions (e.g. poorly planned and executed decisions regarding mergers, divestures, acquisitions, etc.), inadequate corporate strategy, improper analysis that can impact the implementation of key decisions, inability to respond promptly to business opportunities, lack of responsiveness to industry changes, improper communication of the Group's strategic objectives, inability to recruit personnel with skills and experience required to execute strategy and lack of complete and accurate information. These could all directly or indirectly erode the Group's earnings.

FCMB addresses strategic risk through its strategic risk management framework, providing guidance for the management of the Group's strategic risks. It describes the processes, systems and controls established by the Group to identify, assess, monitor, control and report strategic risk. The Group also has a three year rolling corporate strategy plan, which is reviewed annually and closely monitored to ensure that strategic plans are properly aligned with the Group's operating model. The Group scans the environment for any economic, regulatory, legal and political changes that might affect its strategy.

Reputational risk: The potential loss due to damage or erosion of goodwill as a result of failed risk management, weak corporate governance practices, environmental, social and ethical performance, poor customer relationship management practices, non-compliance with regulatory and statutory requirements, weak financial performance or any other factor that affects stakeholders perception of the Group.

Reputational risks to the Group could crystallize as a result of operating in a highly regulated environment with significant vulnerability to regulatory actions that may adversely impact

the Group's reputation. FCMB recognizes the following as its sources of reputational risk, among others:

- Poor corporate governance; conflict of interest, executive compensation, influence on board members, insider related lending;
- Compliance breaches: violation of regulations and laws, aiding/abetting illegal activities, tax structures or fraud, fraudulent disclosures;
- Poor employee relations; discrimination/harassment, poor employment conditions and welfare;
- Poor financial performance: missed projection and earnings surprise, significant earnings volatility, financial irregularities;
- Social, environmental and ethical: bribes/kick-backs, facilitating corruption, community / environmental neglect;
- Control failures: significant operational risk failures;
- Communications / crisis management: adverse stakeholder relations (media, investors, regulators, customers, trade unions, etc.);
- Poor customer relationship management: mis-selling, unfair/deceptive practices (e.g., high pricing, hidden transaction costs, illegal charges, over-charging, etc.), mishandling of complaints, privacy/confidentiality breaches;

Reputational risk can materialize as a result of adverse opinions of stakeholders, operating losses, litigation, sanctions or fines imposed by regulators, failure of directors, management and staff to adhere to ethical code of conduct, failure to deliver quality service to customers, failure to address issues of public concern, labour unrest and failure to adhere to good employment practices. Consequently, the Group could suffer loss due to decline in customer base and loss of market share as well as deterioration of brand value.

The reputational risk management framework outlines how reputation risk is to be identified, assessed, mitigated and monitored. The Business and Operational Risk Management Department monitors the major drivers of this risk. The Group also has formal policies (whistle blower policies, confidentiality policies, performance management framework and policies, code of business ethics, service delivery model, CRM Strategy/Service Charter, etc.) and procedures to control exposure to its recognized reputational risk drivers. In addition, the Group has developed a self-assessment process to

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mitigate identified reputational loss events. Events in relation to customer query are tracked to ensure they are treated within the established service level agreement and issues are escalated where necessary. The Group consciously seeks to understand stakeholders' expectations and perception by conducting survey which it uses to design and execute appropriate management responses.

Legal risk: is the possible consequence that flows from actions attributable to the Group's businesses and could be described as the risk of the unexpected application of a law or regulation, usually resulting in a loss. The Group has a Legal Department that primarily liaises with all functions to ensure legal risk is managed in the Group. The Operational Risk Management function ensures the development and maintenance of a Legal Risk Management policy, publicizing the knowledge of legal risks with a view to creating awareness and understanding among all levels of staff within the Group, carrying out quarterly legal risk assessment, ensuring that defined controls are risk focused and recommending risk policies to Legal Risk Management where there are control lapses.

Business continuity management

The Group has been certified compliant to the ISO 22301 Business Continuity Management System international standard, providing evidence of the Group's readiness and resilience against adverse incidents that could deter the achievement of business objectives. The Business Continuity Management System is fully operational in the Group with more capabilities established in the areas of Disaster Recovery and periodic testing of the Business Continuity Plan. The Business Continuity plans are reviewed and approved by the Board annually and the Business Continuity Management System is certified by TCIC Global LTD to ensure compliance with ISO 22301 standards.

Operational risk awareness

The Group intensified its operational risk awareness campaign in the course of the period through several mechanisms including electronic newsletters, risk meetings/workshops, operational risk diaries, continuous training and education of staff and customers. This is to embed risk management across the entire organization and significantly improve the risk management culture and buy-in amongst all employees.

Group operational risk practices

The subsidiary companies continue to improve on their operational risk management activities and reporting, thereby enhancing the Enterprise Risk Management practices in the Group.

(f) Capital Management

The Central Bank of Nigeria requires the banking subsidiary with international authorisation to hold minimum regulatory capital of N50 billion and maintain a capital adequacy ratio (total regulatory capital to risk weighted assets) of 15%. Whilst the finance company and microfinance banking subsidiaries are to maintain minimum regulatory capitals of N100 million and N1 billion and capital adequate ratios of 12.5% and 10% respectively. Capital Adequacy Ratio (CAR) as a measure of the ratio of Capital to Risk Weighted Assets (RWA).

The Risk Management Committee (RMC) has delegated mandate of ensuring that capital levels (capital adequacy ratio) remain adequate and appropriate for the level of risks undertaken in the normal course of business. The committee is responsible for implementing the capital strategy of the Group which includes:

- Ensuring the Bank fully complies with minimum regulatory capital adequacy requirements and remains a going concern.
- Ensuring the Bank is adequately capitalized – that the Bank has enough capital to support its level of risk exposures.
- Ensuring disciplined and selective asset growth (based on desired obligor risk profile).
- Maintaining expected losses (EL) within defined limits as a direct consequence of selective and disciplined asset growth.
- Ensuring risks taken by the respective Business Lines are within approved limits and allocated capital.
- Ensuring Business Lines generate adequate risk adjusted returns on allocated capital.
- Driving Business Unit and overall Group performance through the application of Economic Capital budgeting.

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The Group's regulatory capital can be segmented into two tiers:

- **Tier 1 capital** includes share capital, retained earnings and reserves created by appropriations to earnings. Book value of goodwill (where applicable) is deducted in arriving at Tier 1 capital. Deferred tax and regulatory risk reserve (RRR) are also deducted from capital but the RRR is recognised as balance sheet item (exposures are risk-weighted net of the provisions in the RRR).
- **Tier 2 capital** includes preference shares, minority interests arising on consolidation, qualifying debt stock, fixed assets revaluation reserves, foreign currency revaluation reserves, general provisions subject to a maximum of 1.25% of risk assets, and hybrid instruments – convertible bonds, debt security qualifies for the tier 2 capital having met the conditions specified by CBN.

As directed by the CBN, the Bank adopts the following approaches for the computation of Capital Adequacy Ratio under Pillar 1:

- Standardised Approach for Credit Risk
- Standardised Approach for Market Risk and
- Basic Indicator Approach for Operational Risk

In line with the CBN guideline for the Standardised Approach, the Risk Weighted Assets (RWA) for credit risks are derived using the CBN specified risk weights (RW) for the different asset classes.

The Banking subsidiary also complies with the Pillar 2 requirement, which requires it to do an assessment of internal capital required to cover all material risk exposures, including the credit, market and operational risks addressed under Pillar 1. This process, known as Internal Capital Adequacy Assessment Process (ICAAP), was completed for the financial year and submitted to the Central Bank of Nigeria (CBN). The ICAAP reveals that the Bank has sufficient capital under normal business conditions but would require additional capital under severe stress testing scenarios, triggered by events leading to significant non-performing loans and resultant provisioning. Apart from the possibility of having savings from the operating expenses and the raising of additional tier 1 capital, the Bank will continue to intensify effort in the following areas:

- Proactive loan monitoring and portfolio review of risk assets
- Proactive identification of loans showing signs of defaults to put them on remedial management
- Intense recovery of bad loans
- Implementation of the Bank's portfolio plan, including gradual deleveraging and diversification of the loan book
- Implementation of the Bank's revised lending framework and Risk Acceptance Criteria (RAC)
- Investment of funds in safer, alternative earning assets
- Optimise capital – risk adjusted pricing and return on capital/performance management
- Investment in product innovation
- Delivery of quality and superior service to customers. This will improve patronage and referral
- Optimisation of alternate channel opportunities
- Expansion of payment and settlement opportunities in Transaction Banking
- Cost management – optimal staffing and management of capital expenditure
- Control and monitoring of cost to income ratio
- Growing of stable low cost deposits.
- Continuous tracking and trapping of retail banking opportunities with corporate customers

Internal capital adequacy assessment process (ICAAP)

The Bank observes the following procedures in the Internal Capital Adequacy Assessment Process (ICAAP):

- Computation of Capital Adequacy Ratio (CAR) and Capital Requirement under Pillar 1
- Material Risk Identification and Assessment (MRIA) Process
- Stress Testing & Scenario Analysis
- Internal Capital Assessment
- ICAAP Review & Approval

(i) Computation of capital adequacy ratio (CAR) and capital requirement under Pillar 1

The Bank computed the capital adequacy ratio and capital requirement to cover Pillar 1 risks using the following methodologies:

- Credit Risk – Standardised Approach
- Market Risk – Standardised Approach
- Operational Risk – Basic Indicator Approach.

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(ii) Material risk identification and assessment (MRIA) process

One of the key purposes of the ICAAP is to embed the principles of risk and capital management in the Bank's business activities. The MRIA process identifies the key risk exposures of the Bank, determines management's assessment of the residual risk exposures and the corresponding capital requirements. The steps below are essential to completing this risk assessment.

Risk identification

A catalogue of material risks relevant to the Bank are identified through a combination of the following activities:

- (a) Review of the Bank's operating environment – A forward and backward looking analysis of the Bank's operating environment and business activities was conducted in order to identify various threats in the business and operating environment, including regulatory changes and implication on the business;
- (b) Identification of the sources of risk, through a review of the products, services, business areas and activities that could generate the risks within the Group;
- (c) Review of available data from the business, risk and internal audit functions to assist with the Material Risk Identification Assessment (MRIA) process. The following are examples of some key data considered in completing the MRIA;
 - Most recent risk and control self-assessment (RCSA) results;
 - Near misses, incidents and frauds reports;
 - Internal audit findings.
- (d) Material Risk Assessment Workshop: A Material Risk Identification and Assessment (MRIA) workshop was conducted to identify and assess the major risk exposures of the Bank – other than Credit, Market & Operational Risks. The workshop included key stakeholders representing the major functions and departments of the Bank (for Enterprise Risk Management) or the related business units (for specific/functional risk management). This workshop leveraged on different experiences and perspectives of the participants in the risk identification and assessment process.

To ensure its effectiveness, the following guidelines were followed:

- The number of attendees were diverse but restricted;
- All relevant business process expertise and experience was represented;
- Sufficient time was allowed for the deliberation;
- The workshop started with an introduction by Risk Management on ICAAP and highlight of the purpose of the workshop;
- People were encouraged to express identified threats in their own words. This is to ensure they are not constrained to any Risk Management jargon and therefore limited in their expression.

The risks identified were reviewed and assessed at the workshop to determine the residual risk and capital requirement.

Risk assessment

The activities carried out are as follows:

- (a) An assessment of the identified risks is conducted considering existing documentation, experience and expert judgement;
- (b) The inherent likelihood of occurrence and impact of the risk is determined;
- (c) The controls designed to mitigate the risks are reviewed in order to determine the residual risk exposure of the Bank

Although coordinated by Risk Management, the initial assessment above is done in conjunction with key stakeholders across the business, before a more elaborate workshop is held with Management and key business and process owners. The risk assessment for the materials risks culminated in the computation of capital for each risk exposure, with the methodology also presented and validated at the workshop.

Usually, more than one material risk assessment workshop is held in order to complete and finalize review of the risk exposures, data and methodology used for the computation. This also becomes necessary in order to determine and agree the action plans to address observed lapses and gaps.

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The ICAAP documentation for the MRIA include:

- Definition and sources of the risk;
- Manifestation of the risk and how it could impact the Bank;
- Current mitigation techniques of the risks and
- Capital required for the residual risk exposure.

The ICAAP is also forward looking, ensuring that the capital plan considers the Bank's strategic business plan and stress scenarios.

(iii) Stress testing and scenario analysis

Extreme but plausible scenario was run on the business projections and related total capital (ICAAP) required under normal condition in order to compute the capital required under stress condition and determine the need for any additional capital. This exercise was conducted by a group of people across the Group to ensure that they were relevant and robust enough.

We ensured that:

- The assumptions about the level of adverse shock scenarios and their duration were severe but plausible.
- The model used was risk sensitive to view the outcome based on changes to the different parameters or risk factors

The exercise was conducted on the base case projections to assess the adequacy of FCMB's capital levels, capital buffer and capital ratios. The stress testing exercise determines the potential volatility of capital requirements with respect to the five year financial projections. The base case capital projections and stressed capital can vary based on changes to key assumptions or risk factors. The conservative approach has been adopted to ensure that the outcome of the exercise is reasonable and representative of a likely outcome in a stressed condition/situation.

The following sensitivities were considered before coming up with a plausible scenario, the macro- economic stress, which considers some of them:

- Reduction in net interest margin
- Increased operational costs
- Increased credit losses

- Sector concentration risk
- Liquidity stress

(iv) Assessment of internal capital

The Bank's internal capital (which is the capital required to cover material risk exposures) as determined by the internal capital assessment process (ICAAP) was compared to the capital available under normal and stress condition to determine the capital planning buffer (CPB) required by the Bank and the amount of shortfall to be provided.

(v) ICAAP review and approval

Although the Executive Management of the Bank and other key stakeholders play key role in the preparation of the Group's ICAAP, the Board of Directors (BOD) has overall responsibility for the ICAAP. Therefore, it is involved in the review of the ICAAP and the final approval of the document lies with it. Subsequent to the final review and approval of the Board of Directors, the ICAAP document is forwarded to the Central Bank of Nigeria (CBN), preparatory to its Supervisory Review and Evaluation Process (SREP).

The table below shows the break-down of the Commercial and Retail Banking Business Segment and the Banking subsidiary's regulatory capital as at 31 December 2025 and 31 December 2024

Tier 1 capital includes share capital, share premium, retained earnings and reserves created by appropriations to earnings less the book value of goodwill (where applicable), deferred tax and under-impairment (regulatory risk reserve -RRR), losses for the current financial period, investment in own shares (treasury stock), including cross holding of related companies' equity, 50% of investments in unconsolidated banking and financial subsidiary/associate companies, excess exposure(s) over single obligor without CBN approval, exposures to own financial holding company, unsecured lending to subsidiaries within the same group.

Tier 2 capital includes preference shares, minority interests arising on consolidation, qualifying debt stock, fixed assets revaluation reserves, foreign currency revaluation reserves, hybrid instruments – convertible bonds, hybrid (debt / equity) capital instruments, eligible subordinated term debt, other comprehensive income and fair reserves. This will be limited to

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a maximum of one-third (1/3) of Tier 1 capital after regulatory deductions.

Debt securities issued qualify under tier 2 capital have met the following Central Bank of Nigeria conditions - they are unsecured, subordinated and fully paid-up, they are not redeemable at the initiative of the holder or without the prior consent of the Central Bank of Nigeria, the debt has an original

maturity of at least five years; where there is no set maturity, repayment shall be subject to at least five years' prior notice.

Investments in unconsolidated banking and financial subsidiary/associate companies are deducted from Tier 1 and 2 capital to arrive at total regulatory capital. 50% of investments in unconsolidated banking and financial subsidiary/associate companies from Tier 1 and 2 respectively.

Capital adequacy computation

In thousands of Naira	Commercial and Retail Banking Business Segment		Banking Subsidiary	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Tier 1 Capital				
Share capital	8,775,000	8,500,000	7,275,000	7,000,000
Additional tier 1 (AT1) capital issued	46,686,000	46,686,000	46,686,000	46,686,000
Share premium	259,238,159	236,786,925	259,238,159	236,786,925
Statutory reserves	81,946,671	56,910,668	75,986,444	52,794,423
AGSMEIS reserve	18,766,328	11,035,654	18,766,328	11,035,654
Retained earnings	162,088,399	130,028,405	148,273,026	121,754,751
Regulatory risk reserve	105,515,480	25,555,414	104,700,712	24,680,712
Total qualifying tier 1 capital	683,016,037	515,493,067	660,925,669	500,738,465
Less regulatory deductions:				
Goodwill	(5,993,863)	(5,993,863)	(5,993,863)	(5,993,863)
Deferred tax assets	(9,257,116)	(8,190,721)	(8,932,153)	(8,007,506)
Software	(19,413,282)	(15,252,644)	(17,618,095)	(14,782,203)
Regulatory risk reserve	(105,515,480)	(25,555,414)	(104,700,712)	(24,680,712)
Adjusted total qualifying tier 1 capital	542,836,295	460,500,425	523,680,846	447,274,181
Tier 2 Capital				
Translation reserve	64,012,457	70,127,829	64,012,457	70,127,829
Fair value reserve	30,955,096	44,911,779	27,619,371	44,911,779
Debt securities issued	43,707,239	120,233,568	41,693,023	120,233,568
Total qualifying tier 2 capital	138,674,791	235,273,176	133,324,851	235,273,176
Total qualifying tier 2 capital restricted to one-third (1/3) of Tier 1 capital after regulatory deductions	180,926,077	153,500,142	174,560,282	149,091,394
Total regulatory capital	681,511,086	614,000,567	657,005,697	596,365,575
Less: Investments in unconsolidated subsidiaries	-	-	-	-
Total qualifying capital	681,511,086	614,000,567	657,005,697	596,365,575
Risk Weighted Assets				
Risk-weighted amount for credit risk	3,105,652,435	3,050,230,483	2,990,655,693	2,977,334,895
Risk-weighted amount for operational risk	581,959,233	368,926,129	581,959,233	350,614,853
Risk-weighted amount for market risk	96,342,371	36,387,010	96,342,371	36,387,010
Risk-weighted assets	3,783,954,038	3,455,543,622	3,668,957,297	3,364,336,758
Capital adequacy ratio	18.01%	17.77%	17.91%	17.73%

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Note on capital adequacy ratio

The Basel II capital adequacy ratios are 18.01% and 17.91% for the Commercial and Retail Banking Business Segment and the Banking Subsidiary respectively, as at 31 December 2025 (31 December 2024: 17.77% and 17.73%), with the Group and Banking subsidiary above the CBN minimum capital adequacy requirements of 15%.

Capital adequacy ratio computation under Basel III guidelines

According to the recent CBN circular on Basel III implementation guidelines for Banks in Nigeria, the recommendations contained therein will be implemented in a parallel run beginning November 2021 for a six-month period, which could be extended by another three months if supervisory expectations are achieved. According to the CBN, the Basel III Guidelines will run concurrently with the existing Basel II Guidelines during the parallel run, and the Basel III Guidelines will become completely effective after the parallel run is over.

Capital Planning Programme

In March 2024, the Central Bank of Nigeria (CBN) issued a circular on the Review of Minimum Capital Requirements for Commercial, Merchant and Non-Interest Banks in Nigeria.

The Circular required commercial banks with National authorization to maintain minimum capital of ₦200 billion while commercial banks with International authorization are to maintain minimum capital of ₦500 billion. The circular also stipulated that:

- The minimum capital specified comprises paid-up capital and share premium only
- Additional Tier 1 (AT1) capital is not eligible for meeting the new requirement
- Bonus issues from retained earnings not eligible
- The timeline for compliance is within 24 months commencing from 1 April 2024, and terminating on 31 March 2026.
- Banks are to ensure strict compliance with the minimum capital adequacy ratio (CAR) applicable to their license authorization.
- Banks that breach the capital requirement shall be required to inject fresh capital to regularize their positions

First City Monument Bank Limited ("the Bank") submitted a Recapitalisation Plan, approved by its Board to the Central Bank of Nigeria.

The Recapitalisation Plan indicated that the recapitalization of the Bank would be largely led by its holding company, FCMB Group Plc, as principal shareholder and fund-raising entity. The funds for recapitalization will be raised by the holding company and invested in the Bank. The Recapitalisation Plan highlighted that the fund raising would be in three phases including:

- **Phase I** – a public offer
- **Phase II** – intra group funding arrangements, such as partial disposal in some group entities, mergers and acquisitions and higher retention of dividends
- **Phase III** – private placements with selected investors

Phase I of the fund raising has been concluded, with FCMB Group Plc raising ₦144 billion, out of which it invested ₦140.9 billion (after deducting issue costs).

The injection of ₦140.9 billion into the Banking subsidiary's capital increased share capital and share premium to ₦243.8 billion. Additional capital of ₦22.45 billion has been raised and injected to the Banking subsidiary by the holding company.

The holding company is working with its Banking subsidiary to ensure that the remaining phase of the fund-raising plan is successfully completed ahead of the CBN deadline of 31 March 2026.

(g) Information/Cyber Security Risk

In line with the requirements of section 3 of the CBN Risk-Based Cyber Security Framework and Guidelines for Deposit Money Bank and Payment Service Providers (Ref BSD/DIR/GEN/LAB/11/25), the Group has extended its ERM Framework, with respect to management of material risks, to cover cyber risk exposures of the Group, to ensure they are managed within the Board approved risk appetite. Therefore, the standard risk management process and options enumerated in the Group's ERM framework apply to cyber risks. In addition, cyber security risks management is guided by the provisions of the information/cyber security policies of the Group, as approved by the Board of Directors. The Chief Information Security Officer (CISO) is responsible for the

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implementation of the Board approved cyber security program, including day to day cyber security activities and mitigation of cyber risks. Risk Management division however continue to have oversight to ensure that such risks are identified and appropriately managed.

Information Security Steering Committee (ISSC)

The bank established Information Security Steering Committee (ISSC) as a Senior Management committee responsible for the governance of the Bank's information/cyber security program. The Committee reports to the Board Risk & Compliance Committee (BRRC).

The roles and responsibilities of the Information Security Steering Committee include (but not limited to):

- Establish lines of authority and responsibility for managing all information / cyber risks in line with the Board's overall direction.
- Ensure written policies and procedures for managing all information / cyber security risk exposures of the Group are developed, implemented and effectively communicated throughout the Group.
- Review the Group's framework for managing information / cyber security risks and recommend improvements as may be required.
- Review the Group's cyber risk profile on a periodic basis and ensure risk exposures are managed within the Board approved appetite.
- Ensure the Group holds adequate regulatory and economic capital as cushion for unexpected information / cyber security losses through the internal capital adequacy assessment process (ICAAP).
- Provide feedback to the Board Risk Management Committee on the adequacy and effectiveness of the Group's information security framework and policies.
- Advise the Board on cyber risk appetite and tolerance, taking into consideration the Group's current financial situation, its future strategy and overall degree of risk aversion.

The ISSC meets quarterly or as may be required.

5. Use of estimates and judgments

The preparation of the consolidated and separate financial statements in conformity with IFRS Accounting Standards requires Directors to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management discusses with the Group Audit Committee the development, selection and disclosure of the Group's critical accounting policies and their application and assumptions made relating to major estimation uncertainties. Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year and about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated and separate financial statements are disclosed below.

These disclosures supplement the commentary on financial risk management (see Note 4).

Key sources of estimation uncertainty

(a) Impairment

(i) Impairment losses on loans and advances

Impairment of financial instruments assessment of whether credit risk on the financial asset has increased significantly since initial recognition and incorporation of forward looking information in the measurement of expected credit losses, see Note 3(k)(vii).

(b) Fair value

The determination of fair value for financial assets and financial liabilities for which there is no observable market price requires the use of valuation techniques as described in the Group's accounting policy. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors,

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pricing assumptions and other risks affecting the specific instrument.

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the requirements:

- **Level 1:** Quoted market price in an active market for an identical instrument.
- **Level 2:** Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- **Level 3:** Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Group determines fair value using valuation techniques.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date, that would have been determined by market participants acting at arms length.

The Group uses widely recognized valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgment and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest swaps. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognized valuation models. Some or all of the significant inputs into these models may not be observable in the market and are derived from market prices or rates or are estimated based on assumptions. Example of instruments involving significant unobservable inputs include certain over the counter structured derivatives, certain loans and security for which there is no active market and retained interests in securitizations. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and prepayments and selection of appropriate discount rates.

Valuation technique and Input used in Level 2 Fair Value Measurement

Where there is limited trading activity in financial instruments, the Group uses valuation models, consensus pricing information from third party pricing services and quotes to determine an appropriate valuation. The Group adopted discounted cash flow technique in determining the fair value of the derivative, using observable market data (Forward rate, discount rate etc.)

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Disclosure Requirements for Level 3 Financial Instruments

Valuation Technique:

The investment valuation policy of the Group provides the framework for accounting for the Group's investment in unquoted equity securities while also providing a broad valuation guideline to be adopted in valuing them. Furthermore, the policy details how the group decides its valuation policies and procedures and analyses changes in fair value measurements from year to year.

IFRS 13 - Fair Value Measurement outlines three approaches for valuing unquoted equity instruments; market approach, the income approach and the cost approach. The Group estimated the fair value of its investment in each of the unquoted equity securities at the end of the financial year using the income approach.

The Discounted Cash flow (DCF) technique of the income approach was adopted in valuing each of these equity investments taken into cognizance the suitability of the model to each equity investment and the available financial information.

Description of Valuation Methodology and inputs:

Discounted Cash flow Technique (DCF)

The fair value of the other unquoted equity securities was derived using the Discounted Cash Flow technique. The steps involved in estimating the fair value of the Group's investment in each of the investees (i.e. unquoted equity securities) are as follows:

- Step 1:** A five-year forecast of the Free Cash Flow to the company (FCFC) for each of the equity investments was made (see (a) below for the definition, explanation and derivation of the Free Cash Flow to the company).
- Step 2:** The yearly FCFC forecasts were discounted to present value using the company's WACC. (See (b) below for the definition, explanation and derivation of WACC).
- Step 3:** The terminal value at year five was estimated by dividing the compounded (with 'g') year five FCFC by the capitalization rate (please see (c) below).

Step 4: The terminal value was discounted to present value using the company's WACC

Step 5: The firm value was obtained by adding the present value of the five-year FCFC obtained in step (2) above to the present value of terminal value obtained in step (4) above.

Step 6: The equity value of the company was obtained by deducting the value of the debt of the company from the company value obtained in step (5) above (i.e. Company value minus market value of debt = Equity value).

Step 7: The equity value per share was obtained by dividing the Equity value obtained in step (6) above by the number of shares outstanding in the company.

Step 8: The fair value of the group's investment in each of the relevant unquoted equity securities was derived by multiplying the number of the Groups' shares in the investee by the value per share obtained in step (7) above.

- a. Free Cash flow to the Company (FCFC):** A measure of financial performance that expresses the net amount of cash that is generated for the firm, consisting of expenses, taxes and changes in net working capital and investments. Free cash flow to the firm is the cash available to all investors, both equity and debt holders.

$$FCFC = NI + NCC + [Int \times (1 - \text{tax rate})] - \text{Changes in FCI} - \text{Changes in WCI}$$

Where:

NI = Net Income

NCC = Non- Cash Charges

Int = Interest

T = tax rate

FCI = Fixed Capital Investment

WCI = Working Capital Investment

- b. Weighted average Cost of Capital (WACC):** This is the average cost of both equity and debt capital used in financing a business.

$$WACC = \{(D/D+E) \times Kd(1-T)\} + \{(E/D+E) \times Ke\}$$

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Where:

D = Value of Debt

E = Equity value

Ke = Cost of equity

Kd = Cost of debt

T = tax rate

c. Capitalization Rate= WACC – g

Terminal value = $(FCFC5 * (1+g)) / (WACC - g)$

Where:

FCFC = Year 5 FCFC

g = Growth rates

WACC = Weighted average Cost of Capital

(2). The risk-free rate was determined using the yield on the 10-year Nigerian Government bond (for unquoted securities denominated in Naira) of 13.7% and the yield on the 10-year US Government bond (for unquoted securities denominated in US \$) of 3.82%.

(3). Market premium of 5.94% was adopted based on trend analysis and research of market premiums across the globe by Aswath Damodaran.

(4). Beta = 1

(5). Growth rate used is growth rate in earnings between the latest period and prior period.

Valuation Assumptions – Discounted Cash flow

(1). The Bank applies Capital Asset Pricing Model in determining the cost of equities for its various unquoted equities which were fair valued at the reporting period

Financial instruments measured at fair value

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

GROUP

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total
31 DEC 2025					
Assets					
Trading assets	22(a)	439,720,734	-	-	439,720,734
Derivative assets held for risk management	23(a)	-	4,276,814	-	4,276,814
Assets pledged as collateral	25(a)	-	-	-	-
Investment securities	24(d)(d)(g)	626,266,506	-	119,504,371	745,770,877
		1,065,987,240	4,276,814	119,504,371	1,189,768,425
Liabilities					
Derivative liabilities held for risk management	23(b)	-	608,639	-	608,639
		-	608,639	-	608,639
31 DEC 2024					
Assets					
Trading assets	22(a)	319,109,270	-	-	319,109,270
Derivative assets held for risk management	23(a)	-	1,451,932	-	1,451,932
Assets pledged as collateral	25(a)	172,424	-	-	172,424
Investment securities	24(d)(d)(g)	382,985,387	-	109,952,588	492,937,975
		702,267,081	1,451,932	109,952,588	813,671,601
Liabilities					
Trading liabilities	22(b)	-	-	-	-
Derivative liabilities held for risk management	23(b)	-	2,608,146	-	2,608,146
		-	2,608,146	-	2,608,146

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COMPANY

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total
31 DEC 2025					
Assets					
Trading assets	22(a)	-	-	-	-
Assets pledged as collateral	25(a)	-	-	-	-
Investment securities	24(d)(d)(g)	-	-	50,330,599	50,330,599
		-	-	50,330,599	50,330,599
Liabilities					
Trading liabilities	22(b)	-	-	-	-
Derivative liabilities held for risk management	23(b)	-	-	-	-
		-	-	-	-

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total
31 DEC 2024					
Assets					
Trading assets	22(a)	-	-	-	-
Assets pledged as collateral	25(a)	-	-	-	-
Investment securities	24(d)(d)(g)	-	-	45,457,558	45,457,558
		-	-	45,457,558	45,457,558
Liabilities					
Trading liabilities	22(b)	-	-	-	-
Derivative liabilities held for risk management	23(b)	-	-	-	-
		-	-	-	-

The carrying amount under Level 3 represents the fair value of unquoted equity investments. The movement has been disclosed in Note 24(i).

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Financial instruments not measured at fair value

The table below sets out the fair value of financial instruments not measured at fair value and analyses them by level in the fair value hierarchy into which each fair value measurement is categorised.

GROUP

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
31 DEC 2025						
Assets						
Loans and advances to customers	26	-	-	2,445,667,992	2,445,667,992	2,365,686,373
Assets pledged as collateral	25	269,407,004	-	-	269,407,004	104,900,576
Investment securities	24(a)	1,403,200,503	-	-	1,403,200,503	1,289,881,020

31 DEC 2024

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Assets						
Loans and advances to customers	26	-	-	2,485,078,216	2,485,078,216	2,357,303,173
Assets pledged as collateral	25	69,076,992	-	-	69,076,992	333,112,327
Investment securities	24(a)	910,224,863	-	-	910,224,863	696,472,731

COMPANY

31 DEC 2025

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Assets						
Loans and advances to customers	26	-	-	-	-	-
Assets pledged as collateral	25	-	-	-	-	-
Investment securities	24(a)	34,826,806	-	-	34,826,806	34,826,806

31 DEC 2024

<i>In thousands of Naira</i>	Note	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Assets						
Loans and advances to customers	26	-	-	-	-	-
Assets pledged as collateral	25	-	-	-	-	-
Investment securities	24(a)	23,145,791	-	-	23,145,791	23,145,791

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(c) Income Taxes

The Group is subject to income taxes in the jurisdictions where the Group operate. Significant estimates are required in determining the group-wide provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(d) Deferred tax

The deferred tax assets and liabilities recognized by the Group is dependent on the availability of taxable profit in the foreseeable future to utilize the deferred tax. The Group reviews the carrying amount of the deferred tax at the end of each reporting period and recognizes an amount such that it is probable that sufficient taxable profit will be available which the Group can use the benefit therefrom.

In determining the deferred tax assets recognized in the financial statements, the Group has applied judgement in estimating the deferred tax recoverable in the foreseeable future. This involves the estimation of future income and expenses, and the consideration of non-taxable income and disallowable expenses in order to arrive at the future taxable profit / loss.

Effective January 2022, the tax exemption granted on short term Federal Government of Nigeria securities [such as Treasury bills, promissory notes etc.] and non-Federal Government of Nigeria Bonds, and the interest earned by the holder of these instruments, under the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011, elapses. In determining the extent to which it is probable that future taxable profit will be available against which the unused tax losses of the Group can be utilized, the Group has applied judgment that the Federal Government of Nigeria (FGN) will likely extend the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011, beyond 2021, in order to stimulate continuous participation in the treasury bills market and to meet government funding needs. See note 31 for details on deferred tax.

(f) Assessment of impairment of goodwill

Goodwill was tested for impairment using discounted cash flow valuation method. Projected cash flows were discounted to present value using a discount rate of 36.72% (December 2024: 36.72%) and a cash flow growth rate of 5.0% (December 2024: 5.0%) over a period of five years. The Group determined the appropriate discount rate at the end of the year by making reference to the rate of the Sovereign 10-year Bond yield issued in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU. See note 31(d) & (e) for further details.

(g) Determination of regulatory risk reserves

Provisions under prudential guidelines are determined using the time based provisioning regime prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines. This is at variance with the expected loss model (IFRS 9). As a result of the differences in the methodology/provision regime, there will be variances in the impairment allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelines for Deposit Money Banks in Nigeria stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Accounting Standards when adopted. However, Banks would be required to comply with the following:

- (i) Provisions for loans recognised in profit or loss should be determined based on the requirements of IFRS Accounting Standards. However, the IFRS Accounting Standards provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:
 - Prudential Provisions is greater than IFRS Accounting Standards provisions; the excess provision resulting should be transferred from the retained reserve account to a "regulatory risk reserve".
 - Prudential Provisions is less than IFRS Accounting Standards provisions; IFRS Accounting Standards determined provision is charged to the statement of profit or loss and other comprehensive income.

Notes to the Consolidated and Separate Financial Statements

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- The cumulative balance in the regulatory risk reserve is thereafter reversed to the retained earnings account.
- (ii) The non-distributable reserve (excluding regulatory risk reserve) should be classified under Tier 1 as part of the core capital.

The Banking subsidiary has complied with the requirements of the guidelines as follows:

Prudential adjustments for the year ended 31 December 2025

<i>In thousands of Naira</i>	Note	31 DEC 2025	31 DEC 2024
Impairment assessment under IFRS			
Loans & advances:			
Stage 1	26(c)	39,989,040	28,130,696
Stage 2	26(c)	18,850,214	39,437,930
Stage 3	26(c)	50,944,559	60,205,275
Total impairment allowances on loans		109,783,813	127,773,901
Other financial assets:			
Stage 1	27(c)	26,101,180	22,128,293
Stage 2	27(c)	8,485,814	8,723,053
Stage 3	27(c)	35,261,375	36,729,497
Provision	37	11,818,408	13,022,246
Investment securities at amortised cost	24(b)	9,868,725	13,637,058
Investment securities at FVOCI	24(d)	2,686,458	199,371
Cash and cash equivalents	21(a)	167,849	18,017
Total impairment allowances on other financial assets and provision		94,389,809	94,457,535
Total impairment allowances by the Bank subsidiary (a)		204,173,622	222,231,436
Total regulatory impairment based on prudential guidelines (b)		306,913,622	222,512,060
Required balance in regulatory risk reserves (c = b - a) <0 returned 0, else (b-a)		102,740,000	280,624
Balance, 1 January		22,720,000	22,720,000
Transfer from regulatory risk reserve		80,020,000	-
Balance, 31 December		102,740,00	22,720,000

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6 Operating segments

The Group has seven reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the strategic divisions, the Executive Management Committee reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Investment Banking - provides comprehensive banking services to highly structured large corporate organisations. The Group is also involved in capital raising activities for organisations both in money and capital markets as well as provides financial advisory services to organisations in raising funds.

Investment Management - administer and manages the pension fund assets and other investment portfolios for structured retiree savings account holders and other equity fund account holders.

SME Banking - provides banking services to Small and Medium Enterprises (SME) and commercial registered businesses with an annual turnover less than N2.5billion.

Commercial Banking - provides banking services to Small and Medium Enterprises (SME) and commercial registered businesses with an annual turnover between N2.5bn and N5billion.

Corporate Banking - incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products. The corporate banking business unit caters for the specific needs of companies and financial institutions with an annual turnover in excess of N5billion.

Personal Banking - incorporating private banking services, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages. Retail banking business unit caters for needs of individuals.

Institutional Banking - government financing, financial institutions, multilateral agencies. The business unit caters for governments at the various levels and their agencies.

Treasury and Financial Markets - Treasury and financial markets group provides funding support to various business segments while ensuring the liquidity of the Banking subsidiary is not compromised. The Group is also involved in currency trading incorporating financial instruments trading and structured financing.

Information regarding the results of each reporting segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Executive Management Committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

No single external customer accounts for 10% or more of the Group's revenue.

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FOR THE YEAR ENDED 31 DECEMBER 2025

Information about operating segments;

(i) The business segment results are as follows:

GROUP

31 DEC 2025

<i>In thousands of Naira</i>	Investment Banking	Investment Management	SME Banking	Commercial Banking	Corporate Banking	Personal Banking	Institutional Banking	Treasury & Financial Markets	Total
External revenues:									
Interest Income	59,432,356	1,122,447	207,448,109	14,499,480	266,870,597	223,737,746	20,472,593	211,745,778	1,005,329,106
Interest Expense	(26,528,185)	-	(109,384,835)	(8,316,880)	(168,097,868)	(102,639,168)	(18,170,362)	(66,284,808)	(499,422,106)
Net interest income	32,904,171	1,122,447	98,063,274	6,182,600	98,772,729	121,098,578	2,302,231	145,460,970	505,907,000
Net fee and commission income	7,659,263	16,899,242	21,364,449	1,491,875	25,764,310	5,014,115	264,442	(1,807,120)	76,650,576
Net trading income	1,656,213	-	-	-	-	-	-	36,136,185	37,792,398
Other revenue	(1,673,161)	132,126	161,050	84,594	491,702	587,469	13,119	(11,912,606)	(12,115,707)
Other income	1,094,236	-	-	-	-	-	-	1,782,647	2,876,883
Inter-segment revenue	-	-	14,166,786	1,474,134	(10,069,827)	25,192,001	13,253,376	(44,016,470)	-
Total segment revenue	41,640,721	18,153,816	133,755,559	9,233,203	114,958,914	151,892,163	15,833,168	125,643,606	611,111,150
Expenses:									
Operating expenses	(34,905,808)	(9,483,892)	(80,562,130)	(6,736,248)	(52,728,680)	(101,429,892)	(8,952,153)	(16,376,200)	(311,175,003)
Net Impairment losses on financial instruments	(9,567,860)	(23,504)	(15,713,855)	(4,514,572)	(29,868,737)	(4,682,429)	(383,100)	(16,952,842)	(81,706,899)
Depreciation and amortisation expenses	(1,413,763)	(660,595)	(5,250,154)	(756,119)	(1,853,519)	(6,175,389)	(670,513)	(536,530)	(17,316,582)
	(45,887,431)	(10,167,991)	(101,526,139)	(12,006,939)	(84,450,936)	(112,287,710)	(10,005,766)	(33,865,572)	(410,198,484)
Reportable segment profit / (loss) before income tax	(4,246,710)	7,985,825	32,229,420	(2,773,736)	30,507,978	39,604,453	5,827,402	91,778,034	200,912,666
Reportable segment assets	771,077,582	29,674,040	560,274,973	140,104,333	1,659,903,683	426,798,496	20,530,905	2,705,091,556	6,313,455,568
Reportable segment liabilities	626,971,100	19,295,917	1,191,839,421	205,822,214	1,324,242,828	1,526,042,516	611,375,006	1,237,875,866	6,743,464,868

31 DEC 2024

<i>In thousands of Naira</i>	Investment Banking	Investment Management	SME Banking	Commercial Banking	Corporate Banking	Personal Banking	Institutional Banking	Treasury & Financial Markets	Total
External revenues:									
Interest Income	61,113,723	623,860	132,261,566	14,474,582	190,128,242	161,612,803	17,495,512	44,093,506	621,803,795
Interest Expense	(25,175,910)	-	(100,453,043)	(9,120,903)	(134,608,736)	(84,062,535)	(12,806,653)	(30,275,811)	(396,503,592)
Net interest income	35,937,813	623,860	31,808,523	5,353,679	55,519,506	77,550,268	4,688,859	13,817,695	225,300,203
Net fee and commission income	6,687,745	10,904,338	11,897,721	1,212,797	17,609,238	10,137,862	370,791	(23,668)	58,796,824
Net trading income	462,767	-	-	-	-	-	-	53,330,178	53,792,945
Other revenue	6,062,174	907,783	5,017,471	331,047	2,486,589	3,272,509	2,590	21,475,169	39,555,332
Other income	3,287,905	-	-	-	-	-	-	1,682,691	4,970,596
Inter-segment revenue	-	-	(1,347,584)	130,908	6,240,281	7,076,815	1,491,020	(13,591,440)	-
Total segment revenue	52,438,404	12,435,981	47,376,131	7,028,431	81,855,614	98,037,454	6,553,260	76,690,625	382,415,900
Expenses:									
Operating expenses	(30,248,016)	(6,420,412)	(28,291,443)	(5,288,753)	(56,271,313)	(72,125,062)	(7,572,645)	(8,961,758)	(215,179,402)
Net Impairment losses on financial instruments	1,443,432	(24,935)	(12,611,012)	(1,499,134)	(10,097,698)	(2,422,797)	(336,505)	(15,691,815)	(41,240,464)
Depreciation and amortisation expenses	(1,369,173)	(478,667)	(1,407,959)	(568,295)	(4,120,184)	(5,028,101)	(498,699)	(406,374)	(13,877,452)
	(30,173,757)	(6,924,014)	(42,310,414)	(7,356,182)	(70,489,195)	(79,575,960)	(8,407,849)	(25,059,947)	(270,297,318)
Reportable segment profit / (loss) before income tax	22,264,647	5,511,967	5,065,717	(327,751)	11,366,419	18,461,494	(1,854,589)	51,630,678	112,118,582
Reportable segment assets	662,334,374	12,326,769	1,309,738,512	128,211,141	483,744,253	330,659,120	18,758,069	2,544,219,128	5,508,982,625
Reportable segment liabilities	558,771,158	9,463,862	1,219,899,594	149,400,014	1,493,800,843	1,465,715,709	260,095,657	1,185,432,196	6,306,531,888

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(ii) Reconciliations of reportable segments revenues, profit or loss and assets and liabilities

GROUP

<i>In thousands of Naira</i>	31 DEC 2025	31 DEC 2024
Revenues		
Total revenue for reportable segments	611,111,150	382,415,900
Unallocated amounts	-	-
Elimination of inter-segment revenue	-	-
Total net revenue	611,111,150	382,415,900
Profit or loss		
Total profit or loss for reportable segments	200,912,666	112,118,582
Unallocated amounts	-	-
Profit before income tax	200,912,666	112,118,582

GROUP

	31 DEC 2025	31 DEC 2024
Assets		
Total assets for reportable segments	6,313,455,568	5,508,982,625
Other unallocated amounts	1,317,533,211	1,545,183,294
Total assets	7,630,988,779	7,054,165,919
Liabilities		
Total liabilities for reportable segments	6,743,464,868	6,306,531,888
Other unallocated amounts	51,112,545	58,653,000
Total liabilities	6,794,577,413	6,365,184,888

Geographical segments

The Group operates in two geographic regions, being: Nigeria and Europe (UK). In presenting information on the basis of geographical areas, revenue is based on the customers' country of domicile and assets are based on the geographical location of the assets.

31 DEC 2025	NIGERIA	EUROPE	TOTAL
External revenues:			
Interest Income	952,755,088	52,574,018	1,005,329,106
Interest Expense	(471,104,984)	(28,317,122)	(499,422,106)
Net interest income	481,650,104	24,256,896	505,907,000
Net fee and commission income	73,415,776	3,234,800	76,650,576
Net trading income	36,443,118	1,349,280	37,792,398
Other revenue	(12,693,126)	577,419	(12,115,707)
Other income	2,876,883	-	2,876,883
Total revenue	581,692,755	29,418,395	611,111,150
Expenses:			
Operating expenses	(282,902,013)	(28,272,990)	(311,175,003)
Net Impairment losses on financial instruments	(73,507,119)	(8,199,780)	(81,706,899)
Depreciation and amortisation expenses	(16,102,629)	(1,213,953)	(17,316,582)
	(372,511,761)	(37,686,723)	(410,198,484)
Profit before income tax	209,180,994	(8,268,328)	200,912,666
Reportable assets	5,580,678,183	732,777,385	6,313,455,568
Reportable liabilities	6,114,147,834	629,317,034	6,743,464,868

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31 DEC 2024	NIGERIA	EUROPE	TOTAL
External revenues:			
Interest Income	560,690,072	61,113,723	621,803,795
Interest Expense	(371,327,682)	25,175,910	(396,503,592)
Net interest income	189,362,390	35,937,813	225,300,203
Net fee and commission income	52,109,079	6,687,745	58,796,824
Net trading income	53,330,178	462,767	53,792,945
Other revenue	33,493,158	6,062,174	39,555,332
Other income	1,682,691	3,287,905	4,970,596
Total segment revenue	329,977,496	52,438,404	382,415,900
Expenses:			
Operating expenses	(184,931,386)	(30,248,016)	(215,179,402)
Net Impairment losses on financial instruments	(42,683,896)	1,443,432	(41,240,464)
Depreciation and amortisation expenses	(12,705,119)	(1,172,333)	(13,877,452)
	(240,320,401)	(29,976,917)	(270,297,318)
Reportable segment profit /(loss) before income tax	89,657,095	22,461,487	112,118,582
Reportable assets	4,846,648,251	662,334,374	5,508,982,625
Reportable liabilities	5,747,760,730	558,771,158	6,306,531,888

(iii) The Geographical information result for 31 December 2025 is as follows:

<i>In thousands of Naira</i>	NIGERIA	EUROPE	TOTAL
Revenues	581,692,755	29,418,395	611,111,150
Non-current assets (see note 6 (v) below)	110,517,131	2,458,100	112,975,231

(iv) The Geographical information result for 31 December 2024 is as follows:

<i>In thousands of Naira</i>	NIGERIA	EUROPE	TOTAL
Revenues	329,977,496	52,438,404	382,415,900
Non-current assets (see note 6 (v) below)	98,043,704	2,483,771	72,381,928

(v) Non-current assets includes property and equipment, intangible assets and deferred tax assets

(vi) Included in the Personal Banking reportable segment were group lending (micro-lending) business performance. The group lending business recorded profit of N1billion for the year ended 31 December 2025, (31 December 2024: N515.85million) and customer loans and advances of N9.39billion (31 December 2024: N5.69billion) and deposit from customer of N4.37billion (31 December 2024: N2.49billion).

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7 Financial assets and liabilities

Accounting classification measurement basis and fair values

Listed below are assets and liabilities that the carrying amount approximates the fair value as at the reporting date. These assets and liabilities have been excluded from the fair value table by hierarchy analysed below:

- Cash and cash equivalents
- Restricted reserve deposits
- Other financial assets

- Deposits from banks
- Deposits from customers
- Borrowings
- Debt securities
- Other financial liabilities

The table below sets out the carrying amounts and fair values of the Group's financial assets and liabilities:

GROUP		31 DEC 2025			31 DEC 2024		
<i>In thousands of Naira</i>	Note	Carrying value	Fair value	Fair value hierarchy	Carrying value	Fair value	Fair value hierarchy
Assets							
Carried at FVTPL:							
Non-pledged trading assets	22(a)	439,720,734	439,720,734	1	319,109,270	319,109,270	1
Derivative assets held for risk management	23(a)	4,276,814	4,276,814	2	1,451,932	1,451,932	2
Assets pledged as collateral	25(b)	-	-	-	172,424	172,424	1
Carried at FVOCI:							
Investment securities - debts	24(d)(d)	626,266,506	626,266,506	1	382,985,387	382,985,387	1
Investment securities - unquoted equity investments	24(g)	119,504,371	119,504,371	3	109,952,588	109,952,588	3
Assets pledged as collateral	25(a)	-	-	-	68,418,990	68,418,990	1
Carried at amortized cost:							
Cash and cash equivalents	21	1,298,920,721	1,298,920,721	3	795,387,019	795,387,019	3
Restricted reserve deposits	28	1,198,149,879	1,198,149,879	3	1,441,465,091	1,441,465,091	3
Loans and advances to customers (Gross)	26(a)	2,475,470,182	2,445,667,992	3	2,485,078,216	2,485,078,216	3
Investment securities	24(a)	1,289,564,333	1,403,200,503	1	696,363,806	878,140,827	1
Assets pledged as collateral	25(c)	104,900,576	269,407,004	1	333,112,327	69,076,992	1
Other financial assets	27(a)	41,208,707	41,208,707	3	419,870,245	419,870,245	3
Liabilities							
Carried at FVTPL:							
Derivative liabilities held for risk management	23(b)	608,639	608,639	1	2,608,146	2,608,146	1

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY		31 DEC 2025			31 DEC 2024		
<i>In thousands of Naira</i>	Note	Carrying value	Fair value	Fair value hierarchy	Carrying value	Fair value	Fair value hierarchy
Assets							
Carried at FVTPL:							
Non-pledged trading assets	22(a)	-	-	-	-	-	-
Derivative assets held for risk management	23(a)	-	-	-	-	-	-
Investment securities	24(c)	50,330,599	50,330,599	3	45,457,558	45,457,558	3
Assets pledged as collateral	25(b)	-	-	-	-	-	-
Carried at FVOCI:							
Investment securities - debts	24(d)(d)	-	-	-	-	-	-
Investment securities - unquoted equity investments	24(g)	-	-	-	-	-	-
Assets pledged as collateral	25(a)	-	-	-	-	-	-
Carried at amortized cost:							
Cash and cash equivalents	21	3,014,998	3,014,998	3	14,371,980	14,371,980	3
Restricted reserve deposits	28	-	-	-	-	-	-
Loans and advances to customers (Gross)	26(a)	-	-	-	-	-	-
Investment securities	24(a)	34,826,806	34,826,806	1	23,145,791	23,145,791	1
Assets pledged as collateral	25(c)	-	-	-	-	-	-
Other financial assets	27(a)	25,972,082	25,972,082	3	13,101,405	13,101,405	3

Where available, the fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Input into the valuation techniques includes expected lifetime credit losses, interest rates, prepayment rates and primary origination or secondary market spreads.

For collateral – dependent impaired loans, the fair value is measured based on the value of the underlying collateral.

The fair value of deposits from banks and customers is estimated using discounted cash flow techniques, applying the rates that are offered for deposits of similar maturities and terms. The fair value of deposits payable on demand is the amount payable at the reporting date.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
8 Interest and discount income				
Cash and cash equivalents	145,330,421	12,800,764	6,208,044	7,059,430
Loans and advances to customers	611,632,549	433,214,628	-	-
Investment securities at amortised cost	148,901,181	109,747,642	1,444,686	1,365,735
Investment securities at FVOCI	99,464,955	66,040,761	499,074	432,041
Total interest income	1,005,329,106	621,803,795	8,151,804	8,857,206

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
9 Interest expense				
Deposits from banks	60,357,317	45,073,055	-	-
Deposits from customers	268,107,209	254,377,756	-	-
	328,464,526	299,450,811	-	-
Borrowings	145,350,893	76,027,513	1,265,968	928,052
Debt securities issued	21,071,465	16,609,376	-	-
Onlending facilities	4,168,040	4,137,462	-	-
Interest expense on lease liabilities	367,182	278,430	-	-
	499,422,106	396,503,592	1,265,968	928,052
The amounts reported above include interest income and expense, calculated using the effective interest method, that relate to the following financial assets and financial liabilities.				
Financial assets measured at amortised cost	905,864,151	555,763,034	7,652,730	8,425,165
Financial assets measured at FVOCI	99,464,955	66,040,761	499,074	432,041
Total	1,005,329,106	621,803,795	8,151,804	8,857,206
Financial liabilities measured at amortised cost	499,422,106	396,503,592	1,265,968	928,052
10 Net impairment loss on financial assets				
Loan and advances (see note 26(c))	89,316,817	43,791,850	-	-
Other assets (see note 27(c))	4,609,140	3,852,727	36,725	48,794
Investment securities - amortised cost (see note 24(b))	(3,055,495)	3,080,857	176,280	92,207
Investment securities - fair value other comprehensive income (see note 24(e))	1,879,636	199,371	-	-
Cash and cash equivalents (see note 21(a))	142,671	(9,824)	-	-
Financial guarantee contracts and loan commitment issued (see note 37(a))	46,773	154,140	-	-
Recoveries on loans previously written off	(11,232,643)	(9,828,657)	-	-
	81,706,899	41,240,464	213,005	141,001

During the year ended 31 December 2025, the group recovered N11.23billion (2024: N9.83billion) from loans previously written off. These amounts have been recognized in the profit or loss as a net off in current period impairments. The recoveries relate to exposures that had been fully derecognized in prior periods.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
11 Disaggregation of fee and commission income by major type of services;				
Credit related fees	795,829	932,620	-	-
Account Maintenance	19,428,323	13,897,338	-	-
Letters of credit commission	6,129,870	2,879,659	-	-
Asset Management Fees	10,952,261	8,593,398	-	-
Administration Fees	285,332	285,332	-	-
Commission on off-balance sheet transactions	5,500,929	3,075,286	-	-
Electronics fees and commissions	14,345,421	13,652,059	-	-
Service fees and commissions	40,454,141	30,991,723	4,320,368	2,799,664
Gross Fee and commission income	97,892,106	74,307,415	4,320,368	2,799,664
Electronics fees and commissions recoverable expenses	(14,066,855)	(11,704,619)	-	-
Cheque books recoverable expenses	(89,555)	(77,240)	-	-
Other banks charges	(7,085,120)	(3,728,732)	(44,710)	(12,046)
Fee and commission expense	(21,241,530)	(15,510,591)	(44,710)	(12,046)
Net fee and commission income	76,650,576	58,796,824	4,275,658	2,787,618

(a) Disaggregation of fee and commission income with the Group's reportable segments;

For the year ended 31 December 2025

<i>In thousands of Naira</i>	Investment Banking	Investment Management	SME Banking	Commercial Banking	Corporate Banking	Personal Banking	Institutional Banking	Treasury & Financial Markets	Total
Credit related fees	-	-	332,362	70,542	330,871	62,053	1	-	795,829
Account Maintenance	-	-	13,448,426	413,630	4,093,403	1,336,510	136,354	-	19,428,323
Letters of credit commission	-	-	186,339	263,294	5,680,237	-	-	-	6,129,870
Asset Management Fees	-	10,952,261	-	-	-	-	-	-	10,952,261
Administration Fees	-	285,332	-	-	-	-	-	-	285,332
Commission on off-balance sheet transactions	-	-	1,753,053	234,935	2,884,846	576,657	51,438.00	-	5,500,929
Electronics fees and commissions	-	-	1,125,488	203,655	5,009,094	7,944,773	62,325	86	14,345,421
Service fees and commissions	10,591,706	5,661,649	6,444,382	329,405	12,151,317	4,846,740	90,701	338,241	40,454,141
Gross Fee and commission income	10,591,706	16,899,242	23,290,050	1,515,461	30,149,768	14,766,733	340,819	338,327	97,892,106
Electronics fees and commissions recoverable expenses	-	-	(1,863,769)	(21,230)	(4,370,578)	(7,737,083)	(74,156)	(39)	(14,066,855)
Cheque books recoverable expenses	-	-	(1,305)	(50)	(999)	(85,585)	(47)	(1,569)	(89,555)
Other banks charges	(2,919,666)	(12,776)	(60,526)	(2,305)	(13,882)	(1,929,950)	(2,174)	(2,143,841)	(7,085,120)
Fee and commission expense	(2,919,666)	(12,776)	(1,925,600)	(23,585)	(4,385,459)	(9,752,618)	(76,377)	(2,145,449)	(21,241,530)
Net fee and commission income	7,672,040	16,886,466	21,364,450	1,491,876	25,764,309	5,014,115	264,442	(1,807,122)	76,650,576

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

For the year ended 31 December 2024

In thousands of Naira	Investment	Investment	SME	Commercial	Corporate	Personal	Institutional	Treasury & Financial	Total
	Banking	Management	Banking	Banking	Banking	Banking	Banking	Markets	
Credit related fees	-	-	514,304	117,137	213,035	88,144	-	-	932,620
Account Maintenance	-	-	9,362,685	483,979	1,616,044	2,224,757	209,865	8	13,897,338
Letters of credit commission	-	-	369,078	50,218	2,460,360	3	-	-	2,879,659
Asset Management Fees	-	8,593,398	-	-	-	-	-	-	8,593,398
Administration Fees	-	285,332	-	-	-	-	-	-	285,332
Commission on off-balance sheet transactions	-	-	1,103,720	296,440	1,418,366	256,597	163	-	3,075,286
Electronics fees and commissions	-	-	1,361,190	97,800	3,775,323	8,354,553	62,890	303	13,652,059
Service fees and commissions	13,276,523	57,809	5,941,745	189,196	5,927,264	5,032,942	114,087	452,157	30,991,723
Gross Fee and commission income	13,276,523	8,936,539	18,652,722	1,234,770	15,410,392	15,956,996	387,005	452,468	74,307,415
Electronics fees and commissions recoverable expenses	-	-	(1,020,777)	(21,480)	(3,495,575)	(7,150,717)	(16,070)	-	(11,704,619)
Cheque books recoverable expenses	-	-	(1,716)	(37)	(1,939)	(73,537)	(11)	-	(77,240)
Other banks charges	(2,772,463)	(11,546)	(20,991)	(456)	(15,156)	(431,850)	(134)	(476,136)	(3,728,732)
Fee and commission expense	(2,772,463)	(11,546)	(1,043,484)	(21,973)	(3,512,670)	(7,656,104)	(16,215)	(476,136)	(15,510,591)
Net fee and commission income	10,504,060	8,924,993	17,609,238	1,212,797	11,897,722	8,300,892	370,790	(23,668)	58,796,824

(b) The fees and commission income reported above excludes amount included in determining effective interest rates on financial assets that are not carried at fair value through profit or loss.

(c) **Performance obligations and revenue recognition policies;**

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a service to a customer. The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Retail and corporate banking service	The Group provides banking services to retail and corporate customers, including account management, provision of overdraft facilities, foreign currency transactions, credit card and servicing fees. Fees for ongoing account management are charged to the customer's account on a monthly basis. The Group sets the rates separately for retail and corporate banking customers in each jurisdiction on an annual basis. Transaction-based fees for interchange, foreign currency transactions and overdrafts are charged to the customer's account when the transaction takes place. Servicing fees are charged on a monthly basis and are based on fixed rates reviewed annually by the Group.	Revenue from account service and servicing fees is recognised over time as the services are provided. Revenue related to transactions is recognised at the point in time when the transaction takes place.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Investment banking service	The Group's investment banking segment provides various finance-related services, including loan administration and agency services, administration of a loan syndication, execution of client transactions with exchanges and securities underwriting. Fees for ongoing services are charged annually at the end of the calendar year to the customer's account. However, if a customer terminates the contract before 31 December, then on termination it is charged the fee for the services performed to date. Transaction-based fees for administration of a loan syndication, execution of transactions, and securities underwriting are charged when the transaction takes place.	Revenue from administrative agency services is recognised over time as the services are provided. The amounts to be collected from customers are recognised as trade receivables. Revenue related to transactions is recognised at the point in time when the transaction takes place.
Investment management service	The Group provides investment management services. Fees for asset management services are calculated based on a fixed percentage of the value of assets managed and deducted from the customer's account balance on a monthly basis. In addition, the Group charges a non-refundable up-front fee when opening an account.	Revenue from investment management services is recognised over time as the services are provided. Non-refundable up-front fees give rise to material rights for future services and are recognised as revenue over the period for which a customer is expected to continue receiving asset management services.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
12 Net trading income				
Foreign exchange trading income	9,766,604	12,230,660	-	-
Bonds trading income	15,682,572	35,660,029	-	-
Treasury bills trading income	12,343,222	5,902,256	-	-
	37,792,398	53,792,945	-	-
13 Net income from financial instruments mandatorily measured at fair value through profit or loss				
Net income arising on:				
Fair value instruments held	-	-	4,873,040	(4,394,049)
Fair value gain on derivative financial instruments held for risk management	-	-	-	-
	-	-	4,873,040	(4,394,049)

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
14(a) Other gains				
Dividends on unquoted equity securities (see note (a)(i))	2,700,153	1,754,901	-	-
Foreign exchange (loss) / gains (see note (a)(ii))	(14,094,842)	36,469,263	(1,512,434)	7,110,602
Modification loss on restructured facilities (see note (a)(iii))	(721,018)	1,331,168	-	-
	(12,115,707)	39,555,332	(1,512,434)	7,110,602

- (i) This amount represent dividend received from unquoted equity securities held for strategic purposes and for which the Group has elected to present the fair value gain and loss in other comprehensive income.
- (ii) Foreign currency revaluation gain represents unrealised foreign gains from the revaluation of foreign currency-denominated assets and liabilities held for the period ended.
- (iii) This represents the unrealised gain on restructured facilities during the year, which is unwinded over the restructured facilities.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
14 (b) Other income				
Gain on sale of property and equipment	885,249	2,409,966	31	517
Fair value gain on investment in associate (Note 30)	-	(100,862)	-	-
Loss on disposal of associate	-	(227,177)	-	-
Rental income	1,991,634	2,888,669	612,345	193,281
	2,876,883	4,970,596	612,376	193,798
14 (c) Intra group revenue				
Dividends on equity investment securities in the subsidiaries (see note (c)(i))	-	-	17,807,220	21,530,385
Investment securities at FVTPL	-	-	7,466,366	7,409,672
	-	-	25,273,586	28,940,057

- (i) The amount of N17.81billion in the Company represents N1.84billion (2024: N2.6billion) from FCMB Pensions Limited , N3billion (2024: N10billion) from First City Monument Bank Limited, N2billion (2024: N2.8billion) from CSL Stockbrokers Limited, N1.09billion (2024: N979.8million) from FCMB Capital Markets Limited, N140.32million (2024: N124.6million) from FCMB Trustees Limited and N9.73billion (2024: N5.0billion) from Credit Direct Finance Company Limited. The N3billion presented for FCMB Limited above relates to the final dividend for year 2024.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
15 Personnel expenses				
Wages and salaries	70,601,691	58,535,271	1,264,985	522,623
Contributions to defined contribution plans (see note 35)	1,652,945	1,377,528	32,882	25,048
Other employee benefits (see note (a) below)	34,927,371	19,388,782	1,256,935	922,184
	107,182,007	79,301,581	2,554,802	1,469,855

(a) Other employee benefits

These are non-payroll staff cost, which includes medical expenses, club subscriptions and other staff related expenses not paid to staff.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
16 Depreciation and amortisation				
Amortisation of intangibles (see note 31)	5,414,892	3,809,054	8,185	2,046
Depreciation of property and equipment and right of use assets (see note 30(a))	11,901,690	10,068,398	70,034	59,304
	17,316,582	13,877,452	78,219	61,350

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
17 General and administrative expenses				
Communication, stationery and postage	7,694,626	5,624,133	28,741	19,747
Business travel expenses	6,636,361	4,305,123	139,519	144,436
Advert, promotion and corporate gifts	18,537,461	6,667,631	33,882	48,260
Business premises and equipment costs	14,454,097	11,928,343	50,783	44,492
Operating lease expenses	1,977,792	1,250,523	25,256	7,882
Directors' emoluments and expenses	5,754,723	3,506,052	2,922,416	985,064
IT & IS expenses	41,623,726	26,802,311	50,820	48,760
Contract Services and training expenses	14,626,947	13,758,175	23,910	20,407
Vehicles maintenance expenses	2,515,761	1,736,845	36,841	26,548
Security expenses	4,201,344	2,959,106	-	-
Auditors' remuneration (see note 17a below)	1,566,810	1,492,918	64,500	68,500
Professional charges	15,753,497	7,515,433	1,325,350	644,938
	135,343,145	87,546,593	4,702,018	2,059,034

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(a) Auditors' remuneration

	2025		2024	
	Group Auditors	Component Auditors	Group Auditors	Component Auditors
Audit of the Group's annual consolidated and separate financial statements.	811,148	755,662	616,652	876,266
Other Assurance related services - ICFR	177,750	-	89,000	-
Tax services	-	-	-	-
Other non-audit services (NDIC Certification)	10,000	-	7,000	-

Included in professional fees is the amount paid to Deloitte as ICFR audit support fee: N117.75million (December 2024: 89million) and NDIC certification fee: N10 million (31 December 2024: 7million).

The auditors were not paid for any non-audit services except as stated in the table above.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
18 Other operating expenses				
NDIC Insurance Premium	19,360,000	13,616,700	-	-
AMCON Levy	35,168,349	21,926,026	-	-
FRCN expense (see note (c) below)	330,056	222,669	-	-
Insurance expenses	2,254,548	1,763,534	47,915	41,166
Others (see note (a) below)	11,536,898	10,802,299	831,275	619,544
	68,649,851	48,331,228	879,190	660,710
(a) Others comprises:				
AGM, meetings and shareholders expenses	912,940	676,416	513,409	389,856
Donation and sponsorship expenses (see note (b) below)	771,068	495,245	-	-
Entertainment expenses	1,771,941	1,432,412	77,544	21,668
Provision for fraud and forgery expense	25,928	1,224,263	-	-
Regulatory charges	30,946	23,770	30,946	23,770
Other accounts written off	275,287	590,035	-	-
PENCOM Recovery Agent Fee	9,857	973	-	-
Pension Protection Fund Expenses	328,744	259,191	-	-
Provision for litigation (see note 37(a))	2,700,000	3,410,000	-	-
Industrial training fund levy	649,188	579,453	55,438	26,028
Nigeria Social Insurance Trust Fund expenses	487,777	413,606	21,156	14,284
Penalties (see note 46)	490,190	136,653	-	-
Miscellaneous expenses	3,083,033	1,560,282	132,782	143,938
	11,536,898	10,802,299	831,275	619,544

(b) The Group made contributions to charitable and non-political organisations amounting to N771.07million (31 December 2024: N495.25million) during the year. The detailed analysis is in the Directors' report, page 14.

(c) Financial Reporting Council of Nigeria (Amendment) Act, 2023, which amended some provisions of the Financial Reporting Council of Nigeria Act of 2011, levy an amount equals to 0.05% of annual turnover, where the annual turnover of the entity is greater than N10 billion.

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FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
19 Earnings per share				
Basic and diluted earnings per share				
Profit attributable to equity holders (N'000)	169,548,148	65,724,641	26,333,057	22,993,015
Weighted average number of ordinary shares in issue ('000)	42,450,218	27,638,599	42,450,218	27,638,599
Basic earnings per share	3.99	2.38	0.62	0.83
Diluted earnings per share	3.99	2.38	0.62	0.83

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Group by the weighted average number of ordinary shares in issue for both year presented. The diluted earnings per share is the same as the basic EPS because there are no potential ordinary shares outstanding during the reporting period (see note 41 on share capital)

In line with the requirements of IAS 33. P64, The weighted average number of shares was determined by:

Determination of weighted average number of shares

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Opening balance number of shares	39,605,420	19,802,710	39,605,420	19,802,710
Additional shares from convertible loan	3,166,286	19,802,710	3,166,286	19,802,710
Total number of shares in issue	42,771,706	39,605,420	42,771,706	39,605,420
Weighted average number of shares:				
Pre issuance of new shares (see note a)	6,276,971	14,001,133	6,276,971	14,001,133
Post issuance of new shares (see note b)	36,173,248	13,637,466	36,173,248	13,637,466
	42,450,218	27,638,599	42,450,218	27,638,599

- (a) The pre-issuance number of shares for the year 2025 has been determined by applying the adjusting factor on the number of shares in issue for days prior to the execution of a mandatory convertible loan (56 days) (2024: 1 January to 4 September 2024).
- (b) The post-issuance number of shares represents the time-weighted average number of shares in issue during the period, calculated by prorating both the initial shares and the shares converted from loan based on the number of days they were outstanding. i.e 309 days (2024: 5 September 2024 to 31 December 2024).

The adjusting factor 1.033 (2024: 1.027) was determined as the ratio of the market price per share at the date of loan conversion N13.35 (2024: N7.70k) to the theoretical ex-rights value per share of N12.92 (2024: N7.50K).

- (c) Per IAS 33.64, the prior year's weighted average number of shares has been adjusted to reflect the adjusting impact from the current year.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

	GROUP		COMPANY	
	31 DEC 2024			
Profit before tax		112,118,582		38,175,230
Income tax using the domestic corporation tax rate	30.0%	33,635,575	30.0%	11,452,569
National Information Technology Development Agency (NITDA) levy	0.2%	208,186	0.5%	208,186
Nigeria Police Trust Fund levy	0.0%	1,898	0.0%	1,898
National Agency for Science and Engineering Infrastructure levy	0.0%	-	0.0%	-
Non-deductible expenses	143.8%	161,279,659	422.5%	161,279,659
Tax exempt income	(173.1%)	(194,105,892)	(476.1%)	(181,747,431)
Minimum tax	2.9%	3,289,172	0.0%	-
Windfall tax	15.8%	17,671,442		
Unrecognised current year tax losses	10.7%	11,966,304	31.3%	11,966,304
Total tax expense	34.4%	38,557,702	20.4%	7,772,543

- (v) The Banking subsidiary was assessed based on the minimum tax legislation for the year ended 31 December 2025.

The Group takes into cognisance the expiration of the Order exempts all interests earned on Bonds (Federal, state, local and corporate bodies including supra-national) and other short term securities such as Treasury Bills and Promissory Notes from being subjected to tax imposed under the Companies Income Tax Act. The Order is valid for a period of 10 years from the effective date of the Order, except for Bonds issued by the Federal Government, which will continue to enjoy the exemption. The exemption order has expired on 1 January 2022.

A significant portion of the Bank's investment income is derived from short-term securities and government bonds, and as a result, the Bank's current income tax assessment for the year under review yields a tax credit in its favour. Consequently, the Bank has applied the provisions of the Companies Income Tax Act that mandates a minimum tax assessment, where a tax payer does not have any tax liability arising from its tax assessment.

The Group has not recognised income tax on the Other Comprehensive Income (OCI) because the gain in the Bank's OCI is as a result of net unrealised fair value gains on Government securities. The Bank has also not recog-

nized deferred tax on these gains as they will not be taxable when they are realised and as such do not represent temporary differences. Realised gains on Nigerian government securities, stocks and share are also exempt from Capital Gains Tax in line with section 30 of the CGT Act.

Nigeria Police Trust Fund Levy: On 24 June 2019, the Nigerian President signed the Nigeria Police Trust Fund (Establishment) Bill ("Police Trust Fund Act" or "the Act") into law. The Act establishes the Nigeria Police Trust Fund (Trust Fund) to provide funds for, inter alia, the training and welfare of personnel of the Nigeria Police Force. The levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year) of companies operating a business in Nigeria.

National Agency for Science and Engineering Infrastructure (NASENI) levy: (NASENI or "the Agency") was established by the NASENI Act, Cap N3 LFN 2004 ("the Act") in 1992. The Agency has a mandate to manage the research and development of capital goods, production and reverse engineering to enhance local mass production of standard parts, goods, and services required for the nation's technological advancement. In line with Finance Act 2021, the levy is computed on 0.25% of Profit Before Tax for commercial companies in the banking, mobile communication, ICT, aviation, maritime and oil and gas sectors.

Notes to the Consolidated and Separate Financial Statements

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Windfall tax (see note 20(iii))

The Finance Act 2023 as enacted by the National Assembly of the Federal Republic of Nigeria was amended by Finance Act (Amendment) Bill 2024 to impose and charge Windfall Tax on banks and to provide for the administration of the Tax. The windfall tax on foreign exchange is levied on all banks and paid to the benefits of the Federal Government of Nigeria. It is set at 70% of the realized profits from all foreign exchange transactions of banks within the 2023 and 2025 financial years. The Act was signed into law in 23 July 2024. The Federal Inland Revenue Service (FIRS) is responsible for

assessing, collecting, and enforcing the payment of this tax. The assessment of the Windfall Tax payable by the Banking subsidiary for the 2025 and 2024 financial years are: N7,573,475,261 and N17,671,442 respectively.

The Group utilized the services of the following tax consultants during the year under review:

NAME OF PROFESSIONAL

Kreston Pedabo Professional Services

FRC_NUMBER

FRC/2013/ICAN/00000000908

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(ii) Current income tax liability				
At 1 January	38,227,831	11,296,167	5,382,217	410,283
Tax paid	(28,417,427)	(9,107,292)	(1,683,876)	(273,498)
Tax refund (see note (a) below)	(969,226)	-	(643,077)	-
Minimum tax (see note 20(i))	4,886,994	3,289,172	-	-
Windfall tax (see note 20(iii))	7,573,475	17,671,442	-	-
Capital gain tax	78,847	-	-	-
National Information Technology Development Agency (NITDA) levy (see note 20(i))	1,858,690	208,186	141,736	208,186
Nigeria Police Trust Fund levy (see note 20(i))	-	1,898	-	1,898
Tertiary education tax (see note 20(i))	2,365,889	423,990	121,395.86	423,990
National Agency for Science and Engineering Infrastructure (NASENI) levy (see note 20(i))	429,238	-	-	-
Income tax expense (see note 20(i))	10,926,412	14,435,903	1,208,355	4,611,358
Effect of movement in exchange rates	-	8,365	-	-
	36,960,723	38,227,831	4,526,751	5,382,217
Current	36,960,723	38,227,831	4,526,751	5,382,217
Non-current	-	-	-	-
	36,960,723	38,227,831	4,526,751	5,382,217

- (a) Amount represents withholding tax credit notes utilized during the year. Withholding tax is an advance payment of company income tax (CIT) deducted at source used to net off the tax liability for the year.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
21 Cash and cash equivalents				
Cash	28,287,313	33,636,696	-	-
Current balances with banks within Nigeria	301,269	643,838	3,014,998	14,371,980
Current balances with banks outside Nigeria (see note (c) below)	1,173,824,248	733,807,053	-	-
Placements with local banks	79,349,373	7,259,998	-	-
Placements with foreign banks	736,551	-	-	-
Unrestricted balances with Central banks	16,589,816	20,057,451	-	-
	1,299,088,570	795,405,036	3,014,998	14,371,980
Less impairment allowances (note (a) below)	(167,849)	(18,017)	-	-
	1,298,920,721	795,387,019	3,014,998	14,371,980
Current	1,298,920,721	795,387,019	3,014,998	14,371,980
Non-current	-	-	-	-
	1,298,920,721	795,387,019	3,014,998	14,371,980
(a) Impairment allowance				
Balance at 1 January	18,017	41,108	-	-
Net remeasurement of loss allowance (see note 10)	142,671	(9,824)	-	-
Effect of movement in exchange rates	7,161	(13,267)	-	-
Closing balance	167,849	18,017	-	-

(b) Cash and cash equivalents comprise balances with less than three months maturity from the date of acquisition, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months.

(c) Balances with banks outside Nigeria include N41.06billion (31 December 2024: N163.84billion) which represents the naira value of foreign currency amounts held by the Bank on behalf of customers in respect of letters of credit transactions. The corresponding liability is included in other liabilities (see Note 36(a)).

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
22 (a) Non-pledged trading assets				
Federal Government of Nigeria Bonds - fair value through profit or loss (FVTPL)	101,282,506	86,181,607	-	-
Treasury Bills - fair value through profit or loss (FVTPL)	95,854,155	10,887,401	-	-
Fund investments Government and others	242,584,073	222,040,262	-	-
	439,720,734	319,109,270	-	-
Current	439,720,734	315,316,426	-	-
Non-current	-	3,792,844	-	-
	439,720,734	319,109,270	-	-

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
23 Derivative assets and liabilities held for risk management				
Instrument type				
(a) Assets: - Non-deliverable forwards transactions	4,276,814	1,451,932	-	-
	4,276,814	1,451,932	-	-
Current	4,276,814	1,451,932	-	-
Non-current	-	-	-	-
	4,276,814	1,451,932	-	-
(b) Liabilities - Non-deliverable forwards transactions	608,639	2,608,146	-	-
	608,639	2,608,146	-	-
Current	608,639	2,608,146	-	-
Non-current	-	-	-	-
	608,639	2,608,146	-	-

Derivative financial instruments consist of short-term foreign exchange contracts. These are held for day to day cash management rather than for trading purposes and are held at fair value. All derivative contracts open at the year-end have intended settlement dates within twelve months. All derivative financial instruments are considered to be level two and are priced with reference to observable market data including prices from exchanges. The fair values of the foreign exchange contracts are reflected in the table above.

All derivative assets and liabilities are current.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
24 Investment securities				
Investment securities at amortised cost (see note (a))	1,289,564,333	696,363,806	34,826,806	23,145,791
Investment securities at FVTPL				
- debt instruments (see note (c) below)	-	-	50,330,599	45,457,558
Investment securities at FVOCI				
- debt instruments (see note (d) below)	626,266,506	382,985,387	-	-
Investment securities at FVOCI				
- quoted equity investments (see note (f) below)	316,687	108,925	-	-
Investment securities at FVOCI - unquoted equity investments (see note (g) below)	119,504,371	109,952,588	-	-
	2,035,651,897	1,189,410,706	85,157,405	68,603,349
Current	357,139,935	360,535,878	28,170,811	10,108,897
Non-current	1,678,511,962	828,874,828	56,986,594	58,494,452
	2,035,651,897	1,189,410,706	85,157,405	68,603,349

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(a) Investment securities at amortised cost				
Federal Government of Nigeria (FGN) Bonds - listed	766,621,338	451,231,683	2,194,199	2,394,609
Federal Government of Nigeria (FGN) EuroBonds - listed	486,917,712	222,759,378	-	-
State Government Bonds - unlisted	13,513,179	11,502,992	-	-
Corporate bonds - unlisted	9,987,977	15,075,382	11,529,035	13,036,894
Unclaimed dividend investment fund	2,866,836	2,601,872	2,866,836	2,601,872
Placements	19,526,016	6,829,557	18,812,084	5,511,484
	1,299,433,058	710,000,864	35,402,154	23,544,859
Less impairment allowances (see note (b) below)	(9,868,725)	(13,637,058)	(575,348)	(399,068)
	1,289,564,333	696,363,806	34,826,806	23,145,791
(b) Impairment allowance				
At 1 January	13,637,058	7,214,897	399,068	306,861
Net remeasurement of loss allowance (see note 10)	(3,055,495)	3,080,857	176,280	92,207
Translation difference	(712,838)	3,341,304	-	-
Closing balance	9,868,725	13,637,058	575,348	399,068
(c) Investment securities at FVTPL				
Bond - ATI instrument	-	-	50,330,599	45,457,558
	-	-	50,330,599	45,457,558

The N50.33billion (2024: N45.46 billion) in the company represents the fair value of ATI raised by the Group (in two series), used for the purchase of the Intercompany Notes issued by First City Monument Bank Limited (banking subsidiary), for purposes of financing incremental term lending in focus sectors and shoring up the Banking subsidiary's regulatory capital base. The Intercompany Notes were issued under the same terms as the ATI issued by the Group (see Note 41(d) for details of the terms of the ATI).

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(d) Investment securities at FVOCI				
Federal Government of Nigeria (FGN) Bonds - listed	317,133,983	119,275,196	-	-
Federal Government of Nigeria (FGN) Sukuk Bonds	11,639,000	10,463,903	-	-
Treasury bills - listed	248,166,094	170,037,192	-	-
Bank, Government bonds, and HQLA Investments	47,554,969	82,743,616	-	-
Legacy Debt Fund	46,913	41,883	-	-
Legacy USD Bond Fund	652,997	268,079	-	-
Legacy Money Market Fund	1,072,551	155,518	-	-
	626,266,506	382,985,387	-	-

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(e) Impairment allowance				
At 1 January	806,822	607,451	-	-
Net remeasurement of loss allowance (see note 10)	1,879,636	199,371	-	-
Closing balance	2,686,458	806,822	-	-
(f) Investment securities at FVOCI - quoted equity investments				
Industrial and General Insurance Plc	29,826	4,227	-	-
Food Concepts	10,200	3,081	-	-
Legacy Equity Fund	276,661	101,618	-	-
	316,687	108,925	-	-
(g) Investment securities at FVOCI - unquoted equity investments				
Credit Reference Company Limited	1,035,500	425,917	-	-
Nigeria Inter-bank Settlement System Plc	25,140,300	23,321,317	-	-
Africa Finance Corporation	72,860,500	68,156,000	-	-
Africa Export-Import Bank, Cairo	5,905,600	6,147,981	-	-
Unified Payment Services Limited	3,807,400	2,816,110	-	-
FMDQ (OTC) Plc	10,095,931	8,685,327	-	-
Financial Derivative Ltd	136,090	22,450	-	-
Shared Agent Network Expansion Facilities Limited (SANEF)	523,050	377,486	-	-
	119,504,371	109,952,588	-	-

- (h) The Group designated certain equity investments shown above in note (e) as equity securities at fair value through other comprehensive income. The fair value through other comprehensive income designation was made because the investments are expected to be held for the long-term for strategic purposes. None of these strategic investments was disposed during period / year ended 31 December 2025 / 31 December 2024.
- (i) Debt securities classified at amortised cost have interest rates of 8.5% to 19.89% (31 December 2024: 8.50% to 19.89%) and mature between 2025 and 2053 years. Debt securities at fair value through other comprehensive income have stated interest rates of 11.2% to 19.98% (31 December 2024: 11.2% to 19.98%) and mature between 2025 and 2053 years.
- (j) Information about the Group's exposure to credit and market risks and fair value measurement is included in Note 4.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(k) Movement in investment securities

The movement in investment securities for the Group may be summarised as follows:

GROUP

Movements in investment securities during the year ended 31 December 2025

<i>In thousands of Naira</i>	Unquoted equity securities at fair value through other comprehensive income	Debt Securities at fair value through profit or loss	Debt securities at amortised cost	Debt securities at fair value through other comprehensive income	Quoted equity securities measured at fair value through profit or loss	Total
At 1 January	109,952,588	-	696,363,806	382,985,387	108,925	1,189,410,706
Foreign currency exchange differences recognised profit and loss	-	-	(47,778,896)	-	-	(47,778,896)
Additions	-	-	686,559,756	461,813,974	207,762	1,148,373,730
Disposals	-	-	-	(162,633,662)	-	(162,633,662)
Gains from changes in fair value recognised in profit or loss	-	-	-	-	-	-
Gains from changes in fair value recognised in other comprehensive income	13,522,888	-	-	(29,258,729)	-	(15,735,841)
Foreign currency translation differences recognised in other comprehensive income	(3,377,649)	-	-	-	-	(3,377,649)
Item reclassified subsequently to profit or loss due to disposal	-	-	-	-	-	-
Reclassification to assets pledged as collateral	-	-	-	-	-	-
Reclassification from other financial assets	-	-	-	-	-	-
Amortised cost adjustments	-	-	(35,711,608)	-	-	(35,711,608)
Impairment allowance	-	-	(9,868,725)	-	-	(9,868,725)
Translation difference	(593,456)	-	-	(26,640,464)	-	(27,233,920)
Closing balance	119,504,371	-	1,289,564,333	626,266,506	316,687	2,035,651,897

Movements in investment securities during the year ended 31 December 2024

<i>In thousands of Naira</i>	Unquoted equity securities at fair value through other comprehensive income	Debt Securities at fair value through profit or loss	Debt securities at amortised cost	Debt securities at fair value through other comprehensive income	Quoted equity securities measured at fair value through profit or loss	Total
At 1 January	65,449,363	-	472,383,924	256,806,468	106,624	794,746,379
Foreign currency exchange differences recognised profit and loss	-	-	53,519,809	-	-	53,519,809
Additions	3,958,207	-	246,327,610	253,294,968	2,301	503,583,086
Disposals	-	-	(46,460,305)	(119,178,764)	-	(165,639,069)
Gains from changes in fair value recognised in other comprehensive income	11,897,452	-	-	(43,327,659)	-	(31,430,207)
Foreign currency translation differences recognised in other comprehensive income	28,647,566	-	-	-	-	28,647,566
Amortised cost adjustments	-	-	(15,770,174)	-	-	(15,770,174)
Impairment allowance	-	-	(13,637,058)	-	-	(13,637,058)
Translation difference	-	-	-	35,390,374	-	35,390,374
Closing balance	109,952,588	-	696,363,806	382,985,387	108,925	1,189,410,706

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY

Movements in investment securities during the year ended 31 December 2025

	Unquoted equity securities at fair value through other comprehensive income	Debt Securities at fair value through profit or loss	Debt securities at amortised cost	Debt securities at fair value through other comprehensive income	Quoted equity securities measured at fair value through profit or loss	Total
<i>In thousands of Naira</i>						
At 1 January	-	45,457,558	23,145,791	-	-	68,603,349
Foreign currency exchange differences recognised profit and loss	-	-	(949,851)	-	-	(949,851)
Additions	-	-	13,206,214	-	-	13,206,214
Gains from changes in fair value recognised in profit or loss	-	4,873,041	-	-	-	4,873,041
Impairment allowance	-	-	(575,348)	-	-	(575,348)
Closing balance	-	50,330,599	34,826,806	-	-	85,157,405

Movements in investment securities during the year ended 31 December 2024

	Unquoted equity securities at fair value through other comprehensive income	Debt Securities at fair value through profit or loss	Debt securities at amortised cost	Debt securities at fair value through other comprehensive income	Quoted equity securities measured at fair value through profit or loss	Total
<i>In thousands of Naira</i>						
At 1 January	-	49,851,607	14,070,554	-	-	63,922,161
Foreign currency exchange differences recognised profit and loss	-	-	7,110,602	-	-	7,110,602
Additions	-	-	2,363,703	-	-	2,363,703
Disposals	-	-	-	-	-	-
Gains from changes in fair value recognised in profit or loss	-	(4,394,049)	-	-	-	(4,394,049)
Impairment allowance	-	-	(399,068)	-	-	(399,068)
Closing balance	-	45,457,558	23,145,791	-	-	68,603,349

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(l) Foreign Currency Translation Differences Recognised in Other Comprehensive Income				
Translation differences on foreign operations	(5,992,876)	33,037,493	-	-
	(5,992,876)	33,037,493	-	-

Foreign currency translation differences recognised in other comprehensive income relate to the translation of the financial statements of the Group's foreign operations from their functional currencies into the Group's presentation currency. These differences are accumulated in the foreign currency translation reserve within equity and are reclassified to profit or loss on the disposal of the relevant foreign operation.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
25 Assets pledged as collateral				
The nature and carrying amounts of the non tradable financial assets pledged as collaterals are as follows:				
(a) Investment Securities – FVOCI				
Treasury Bills – listed	-	54,170,491	-	-
Federal Government of Nigeria (FGN) Bonds – listed	-	14,248,499	-	-
Federal Government of Nigeria (FGN) Sukuk Bonds	-	-	-	-
	-	68,418,990	-	-
(b) Investment Securities – FVTPL				
Federal Government of Nigeria (FGN) Bonds – listed	-	172,424	-	-
Treasury Bills – listed	-	-	-	-
	-	172,424	-	-
(c) Investment Securities – Amortized cost				
Treasury Bills – listed	-	-	-	-
Federal Government of Nigeria (FGN) Bonds – listed	104,900,576	333,112,327	-	-
	104,900,576	333,112,327	-	-
	104,900,576	401,703,741	-	-
Current	14,403,346	112,138,487	-	-
Non-current	90,497,230	289,565,254	-	-
	104,900,576	401,703,741	-	-

As at the period end, the Group held no collateral, which it was permitted to sell or re-pledge in the absence of default by the owner of the collateral (31 December 2024: nil).

The assets pledged as collateral were given to the counter parties without transferring the ownership to them. These are held by the counterparty for the term of the transaction being collateralized. These represents pledged assets to these parties;

<i>In thousands of Naira</i>		GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Counterparties	Reasons for pledged securities				
Nigeria Inter-bank Settlement Plc (NIBSS)	Cards, POS transactions settlements	2,444,136	2,346,237	-	-
Interswitch Nigeria Limited	Cards, POS transactions settlements	25,816,648	24,782,565	-	-
Federal Inland Revenue Service(FIRS)	Third parties collection transactions	1,678,295	1,611,071	-	-
Central Bank of Nigeria (CBN)	Third parties clearing instruments	14,545,221	13,962,613	-	-
Bank of Industry (BOI)	On-lending facilities to customers	47,775,361	15,251,380	-	-
System Specs/Remita	Remita Transfer Transactions	335,659	322,214	-	-
E-transact	Cards, POS transactions settlements	1,365,013	1,310,338	-	-
Development Bank of Nigeria (DBN)	On-lending facilities to customers	6,464,791	6,205,845	-	-
Central Bank of Nigeria (CBN)	FMDQ OTC settlement transactions	3,356,589	3,222,142	-	-
Central Bank of Nigeria (CBN)	Interbank Funding under repurchase agreement	-	331,615,291	-	-
Citi Nominee	FMDQ OTC settlement transactions	1,118,863	1,074,045	-	-
		104,900,576	401,703,741	-	-

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FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
26 Loans and advances to customers				
(a) Overdrafts	299,389,199	278,970,027	-	-
Term loans	1,945,386,607	1,971,070,343	-	-
On-lending facilities	229,710,891	234,120,454	-	-
Advances under finance lease (see note (b) below)	983,485	917,392	-	-
Gross loans and advances to customers at amortised costs	2,475,470,182	2,485,078,216	-	-
Less impairment loss allowance	(109,783,809)	(127,775,043)	-	-
Net loans and advances to customers	2,365,686,373	2,357,303,173	-	-
Current	2,099,419,061	1,614,376,101	-	-
Non-current	266,267,312	742,927,072	-	-
	2,365,686,373	2,357,303,173	-	-

GROUP	31 DEC 2025			31 DEC 2024		
	Gross amount	ECL allowance	Carrying amount	Gross amount	ECL allowance	Carrying amount
Retail customers:						
Mortgage lending	7,016,320	(569,515)	6,446,805	4,606,777	(153,280)	4,453,497
Personal loans	381,305,939	(17,979,638)	363,326,301	196,372,224	(6,121,525)	190,250,699
Credit cards	6,574,167	(556,323)	6,017,844	7,072,079	(453,086)	6,618,993
Corporate customers:						
Finance leases (see note (b) below)	983,485	(70,178)	913,307	917,392	-	917,392
Other secured lending	2,079,590,271	(90,608,155)	1,988,982,116	2,276,109,744	(121,047,152)	2,155,062,592
	2,475,470,182	(109,783,809)	2,365,686,373	2,485,078,216	(127,775,043)	2,357,303,173

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(b) Finance lease				
Loan and advances to customer at amortised cost include the following finance lease:				
Gross investment:				
Less than one year	381,776	325,629	-	-
Between one and five years	1,310,266	1,378,326	-	-
	1,692,042	1,703,955	-	-
Unearned finance income	(708,557)	(786,563)	-	-
Net investment in finance leases	983,485	917,392	-	-
Less impairment allowance	(70,178)	-	-	-
	913,307	917,392	-	-
Net investment in finance leases				
Net investment in finance leases, receivables:				
Less than one year	307,346	325,629	-	-
Between one and five years	676,139	591,763	-	-
	983,485	917,392	-	-

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FOR THE YEAR ENDED 31 DECEMBER 2025

(c) Movement on ECL allowance loans and advances to customers at amortised cost

GROUP

In thousands of Naira	31 DEC 2025				31 DEC 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
At 1 January	28,130,696	39,437,930	60,205,275	127,773,901	15,156,299	12,737,070	60,174,636	88,068,005
Transfer to stage 1	159,038	(53,361)	(105,677)	-	3,245,328	(1,283,759)	(1,961,569)	-
Transfer to stage 2	(624,412)	639,916	(15,504)	-	(620,469)	754,891	(134,422)	-
Transfer to stage 3	(158,091)	(1,614,253)	1,772,344	-	(259,975)	(1,893,826)	2,153,801	-
Net remeasurement of loss allowances (see note 10)	13,106,918	(18,827,569)	95,038,078	89,316,817	8,227,553	25,110,892	10,453,405	43,791,850
Write-offs	-	-	(99,648,784)	(99,648,784)	-	-	(23,276,237)	(23,276,237)
Translation difference	(625,109)	(732,449)	(6,301,173)	(7,658,731)	2,381,960	4,012,662	12,795,661	19,190,283
Closing balance	39,989,040	18,850,214	50,944,559	109,783,809	28,130,696	39,437,930	60,205,275	127,773,901

	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(d) Classification of loans by security type				
Secured against real estate	226,779,743	279,774,589	-	-
Secured by shares of quoted and unquoted companies	-	12,123,683	-	-
Cash Collateral	151,667,074	197,328,551	-	-
Fixed and floating assets	856,092,973	1,138,697,331	-	-
Otherwise secured	724,021,102	168,251,237	-	-
Unsecured	516,909,290	688,902,825	-	-
	2,475,470,182	2,485,078,216	-	-

(e) Information about the Group's credit analysis, market risks, and impairment losses for loans and advances is included in Note 4.

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024

27 Other assets

(a) **Other financial assets:**

E-settlement receivables (See note (d) below)	35,618,875	31,508,947	-	-
Agric SMEIS receivables (See note (e) below)	4,697,909	4,697,909	-	-
Related parties receivables	-	-	15,809,495	10,545,855
Insurance claims and fraud receivables (See note (f) below)	16,674,327	8,159,970	-	-
Judgement debt receivables (See note (g) below)	9,222,110	9,770,882	-	-
Accounts receivable - deposits for investments (See note (h) below)	-	30,577,260	-	-
Accounts receivable - TSA refunds	433,101	433,101	-	-
Accounts receivable - remittances	1,052,795	1,168,382	-	-
FX forwards receivable (See note (i) below)	13,103,363	292,453,902	-	-
Accounts receivables	30,254,596	108,680,735	10,384,879	2,741,117
	111,057,076	487,451,088	26,194,374	13,286,972
Less impairment allowances (note (c) below)	(69,848,369)	(67,580,843)	(222,292)	(185,567)
	41,208,707	419,870,245	25,972,082	13,101,405

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FOR THE YEAR ENDED 31 DECEMBER 2025

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(b) Other non-financial assets:				
Prepayments	24,177,754	23,476,985	209,339	117,979
Consumables	3,188,806	2,721,486	-	-
	27,366,560	26,198,471	209,339	117,979
	68,575,267	446,068,716	26,181,421	13,219,384
(c) Movement in impairment on other financial assets				
At 1 January	67,580,843	50,775,664	185,567	136,773
Net remeasurement of loss allowances (see note 10)	4,609,140	3,852,727	36,725	48,794
Write-offs	(33)	(25,628)	-	-
Translation difference	(2,341,581)	12,978,080	-	-
Balance at the end	69,848,369	67,580,843	222,292	185,567

(d) E-settlement receivables represent settlements due from other banks use of the Banking subsidiary's electronic channels by their customers. The Group's payables to other banks is contained in Note 36.

(e) Agric SMEIS receivables represents the Banking subsidiary's deposit as equity investment in Agri-business/Small and Medium Enterprises Investment Scheme. As approved by the Bankers' Committee on 9th February 2017, all Deposit Money Banks are required to invest 5% of prior year's Profit After Tax as equity investment in the scheme. The balance is warehoused in other assets pending allocation of investment units from the scheme.

(f) The amount represents refunds to customers pending the investigation report and recoveries from insurance. This amount has been fully provisioned.

(g) The amount includes Judgement debt receivables in respect of suit against the Bank in United Kingdom as ordered by the court of which the sum of £3.34million (N1.82billion) has been transferred to Zumax with recourse. The Bank won the case as judgement was awarded in its favour and ordered Zumax to repay the Bank the sum of £3.29million released from the Court Funds Office pursuant to and on terms of the undertakings in the 13 November 2018 Order This amount has been fully provisioned pending recovery.

(h) Accounts receivable - deposits for investments balance relates to deposits paid for the Federal Government of Nigeria (FGN) US Dollar denominated Bond investment for which bond certificate have not been issued to the Bank.

(i) The balance represents the Naira transaction value of matured forwards contracts with the Central Bank of Nigeria (CBN).

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FOR THE YEAR ENDED 31 DECEMBER 2025

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
28 Restricted reserve deposits				
Restricted mandatory reserve deposits with central banks (see note (a) below)	1,023,889,826	1,236,331,958	-	-
Special Cash Reserve Requirement (see note (b) below)	23,019,130	23,019,130	-	-
Differentiated Cash Reserve Requirement Scheme (DCRR) (see note (c) below)	151,168,628	182,041,708	-	-
LDR Cash Reserve (see note (d) below)	72,295	72,295	-	-
	1,198,149,879	1,441,465,091	-	-
Current	-	-	-	-
Non-current	1,198,149,879	1,441,465,091	-	-
	1,198,149,879	1,441,465,091	-	-

(a) Restricted mandatory reserve deposits are not available for use in the Bank and Group's day-to-day operations. Mandatory reserve deposits are non interest-bearing and are computed as a fixed percentage of the Bank's qualifying deposit liabilities.

(b) Special Cash Reserve Requirement represents a 5% special intervention reserve held with the Central Bank of Nigeria as a regulatory requirement.

(c) Differentiated Cash Reserve Requirement Scheme (DCRR) represents restricted reserve set up scheme to fund Real Sector Support Facility (RSSF).

(d) LDR Cash Reserve represents restricted reserve for failure of the bank to meet the Loan to Deposit Ratio of 65% as at 31 December 2025 was N72.30million (2024: N72.30million). In April 2024, The Central Bank of Nigeria has directed all Deposit Money Banks to reduce the Loan-to-Deposit Ratio (LDR) to 50% from 65%, which the Bank has complied, but the LDR cash reserve has not been reversed.

(e) For the purposes of the Statement of cashflow, all the restricted balances above are excluded from cash and cash equivalents.

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
29 Investment in Subsidiaries				
(a) Investment in subsidiaries comprises:				
First City Monument Bank Limited (see note (i) below)	-	-	279,088,794	256,362,560
FCMB Capital Markets Limited (see note (ii) below)	-	-	240,000	240,000
CSL Stockbrokers Limited (CSLS) (see note (iii) below)	-	-	3,053,777	3,053,777
FCMB Trustees Limited (see note (iv) below)	-	-	220,000	220,000
FCMB Microfinance Bank Limited (see note (v) below)	-	-	1,000,000	1,000,000
FCMB Pensions Limited (see note (vi) below)	-	-	11,925,884	11,925,884
Credit Direct Finance Company Limited (see note (vii) below)	-	-	366,210	366,210
Carrying amount	-	-	295,894,665	273,168,431
Current	-	-	-	-
Non-current	-	-	295,894,665	273,168,431
	-	-	295,894,665	273,168,431

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(b) Group entities

The subsidiary companies, country of incorporation, nature of business, percentage equity holding and period consolidated with the parent company are as detailed below:

Company Name	Country of incorporation	Nature of Business	% of equity capital held (Direct holdings)	Financial year end
(1) First City Monument Bank Limited (see Note (i) below)	Nigeria	Banking	100%	31 Dec 2025
(2) FCMB Capital Markets Limited (see Note (ii) below)	Nigeria	Capital Market	100%	31 Dec 2025
(3) CSL Stockbrokers Limited (CSLS) (see Note (iii) below)	Nigeria	Stockbroking	100%	31 Dec 2025
(4) FCMB Trustees Limited (see Note (iv) below)	Nigeria	Trusteeship	100%	31 Dec 2025
(5) FCMB Microfinance Bank Limited (see Note (v) below)	Nigeria	Micro-lending	100%	31 Dec 2025
(6) FCMB Pensions Limited (see Note (vi) below)	Nigeria	Pension Fund Administrator	91.71%	31 Dec 2025
(7) Credit Direct Finance Company Limited (see Note (vii) below)	Nigeria	Micro-lending	100%	31 Dec 2025

- (i) This represents the cost of the Company's 100% equity holding in First City Monument Bank Limited. The Company was incorporated under the Companies and Allied Matters Act as a Private Limited Liability Company on 20 April, 1982. It was licensed on 11 August, 1983 to carry on the business of Commercial Banking and Commercial Business on 1 September 1983. The Bank was converted into a Public Limited Liability Company and its shares listed on the Nigerian Stock Exchange on 21 December, 2004. The Bank was however delisted from the Nigerian Stock Exchange on 21 June 2013 and registered as a Limited Liability Company on 4 September 2013 following the group restructuring. In line with the Central Bank of Nigeria recapitalisation policy, the company invested additional N140.9bn to shore up the capital base of the Bank in December 2024 and another N22.73bn in September 2025.
- (ii) This represents the cost of the Company's 100% equity holding in FCMB Capital Markets Limited. The Company was incorporated in April 4, 2002.
- (iii) This represents the cost of the Company's 100% equity holding in CSL Stockbrokers Limited. The Company was incorporated on January 24, 1979 and commenced operations in May 1979.
- (iv) This represents the cost of the Company's 100% equity holding in FCMB Trustees Limited. The Company was incorporated in November 24, 2010. The company invested additional N180m in FCMB Trustees Limited in September 2015 in order to recapitalise the business in line with the new SEC minimum capitalisation policy of N300m for trustee businesses in Nigeria. The company changed its name from CSL Trustees Limited to FCMB Trustees Limited in February 2019.
- (v) This represents the cost of the Company's 100% equity holding in FCMB Microfinance Bank Limited. The Company was incorporated on February 25, 2015 and started operations on January 1, 2017. The company invested additional N850m in FCMB Microfinance Bank Limited in December 2022 in order to recapitalise the business in line with the Central Bank of Nigeria directive to recapitalise Microfinance Banks with State License to N1billion.
- (vi) This represents the Company's 91.71% equity holding in FCMB Pensions Limited, a pension fund manager licensed to carry on the business of fund and pension management. The company was incorporated in April 2005 and commenced operations in May 2005. FCMB Pensions Limited was a former associate company to the Group by virtue of the Group's initial 28.22% equity holding. However, the Group acquired additional 60%, 3.42% and 1.16% equity holding in November 2017, August 2018 and August 2020 respectively thereby raising the total equity holding to 92.80%. The company changed its name from Legacy Pension Managers Limited to FCMB Pensions Limited in November 2018.
- In October 2021, FCMB Pensions Limited obtained approval for the acquisition of 60% stake in AllCO Pensions Limited. Another approval was obtained in

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February 2022 for additional 36.3% shareholding of AllCO Pension Limited bringing the total interest in the entity to 96%. FCMB Pensions concluded the acquisition of the 96% stake in AllCO Pensions on February 28, 2022 and integrated both businesses. After the integration, the Group's equity interest in FCMB Pensions was 91.71% from 92.80%. With this integration the FCMB Pensions Limited now accounts for one of the largest PFAs in Nigeria with a combined total Assets Under Management of N592billion and increase in the number of contributors nationwide. In 2022, FCMB Group Plc took up a right issue of N4billion in FCMB Pensions Limited.

- (vii) This represents the Company's 100% equity holding in Credit Direct Finance Company Limited. The Company was incorporated on June 13, 2006 and commenced operations in January 2007.
- (viii) There are no significant restrictions on the ability of subsidiaries to transfer funds to the Group in the form of cash dividends or repayment of loans and advances.
- (ix) The investments are carried at cost less impairment. There was no impairments on any of the subsidiaries as at the reporting date (2024; nil).

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
30 Investment in associates				
(a) Investment in associate company:				
Balance at 1 January	1,738,796	-	-	-
Net assets transferred on disposal of subsidiary	-	1,733,907	-	-
Loss on remeasurement of disposed interest	-	(100,862)	-	-
Dividend received during the year	(795,239)	332,928	-	-
Share of profit/(loss) after tax	1,187,730	(223,412)	-	-
Share of associate's other comprehensive income/(loss)	-	(3,765)	-	-
Balance at year end	2,131,287	1,738,796	-	-

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Property and equipment, and right of use assets

GROUP

31 DEC 2025	Leasehold land	Buildings	Right-of-use Assets- Buildings	Leasehold improvement	Motor vehicles	Furniture, fittings and Equipment	Computer equipment	Capital Work in progress	Total
<i>In thousands of Naira</i>									
Cost									
At 1 January	4,684,743	26,978,705	5,660,562	7,191,035	7,900,419	39,667,584	6,896,597	2,405,200	101,384,845
Additions during the year	401	1,880,808	3,223,384	-	3,429,091	9,246,619	2,077,129	1,194,717	21,052,149
Reclassifications	-	495,914	-	-	23,566	491,821	144,808	(1,156,109)	-
Transfer from intangible assets (see note 31)	-	-	-	-	-	-	-	(324,096)	(324,096)
Transfer to other prepaid expenses	-	-	-	-	-	-	-	-	-
Disposal during the year	-	(288,216)	-	(7,615)	(193,510)	(68,036)	-	-	(557,377)
Derecognised during the year	-	-	(576,005)	-	-	-	-	-	(576,005)
Items written-off during the year	-	-	-	-	-	-	-	(135)	(135)
Effect of movements in exchange rates	-	(278,084)	(90,713)	(71,859)	(130,324)	(828,387)	(136,872)	-	(1,536,239)
Balance at the end	4,685,144	28,789,127	8,217,228	7,111,561	11,029,242	48,509,601	8,981,662	2,119,577	119,443,142
Accumulated depreciation									
At 1 January	-	6,336,422	1,192,653	5,837,854	5,215,882	24,050,259	2,757,307	-	45,390,377
Depreciation for the year (see note 16)	-	595,989	1,244,175	174,154	1,475,096	6,696,384	1,715,892	-	11,901,690
Eliminated on Disposal	-	(151,920)	-	-	(193,510)	(68,036)	(2,122)	-	(415,588)
Derecognised during the year	-	-	(333,414)	-	-	-	-	-	(333,414)
Effect of movements in exchange rates	-	-	(45,229)	17,950	(170,749)	(116,886)	(145,391)	-	(460,305)
Balance at the end	-	6,780,491	2,058,185	6,029,958	6,326,719	30,561,721	4,325,686	-	56,082,760

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31 DEC 2024	Leasehold land		Right-of-use Assets- Buildings	Leasehold improvement	Motor vehicles	Furniture, fittings and Equipment	Computer equipment	Capital Work in progress	Total
<i>In thousands of Naira</i>		Buildings							
Cost									
At 1 January	4,684,910	26,003,021	4,563,320	6,791,093	6,257,772	35,218,293	5,583,036	2,484,198	91,585,643
Additions during the year	-	379,773	1,285,686	164,247	1,561,159	3,506,639	862,843	2,039,515	9,799,862
Reclassifications	-	595,911	-	-	137,671	658,687	375,006	(1,767,275)	-
Transfer from intangible assets (see note 31)	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	-	-	(56,183)	(114)	(200,471)	(351,021)	(607,789)
Derecognised during the year	-	-	(1,083,503)	-	-	-	-	-	(1,083,503)
Items written-off during the year	-	-	-	-	-	-	-	(217)	(217)
Effect of movements in exchange rates	(167)	-	895,059	235,695	-	284,079	276,183	-	1,690,849
Balance at the end	4,684,743	26,978,705	5,660,562	7,191,035	7,900,419	39,667,584	6,896,597	2,405,200	101,384,845
Accumulated depreciation									
At 1 January	-	6,220,016	1,713,362	5,012,656	4,809,341	18,143,166	1,554,238	-	37,452,779
Depreciation for the year (see note 16)	-	579,226	1,182,817	166,814	692,928	6,054,786	1,391,826	-	10,068,397
Eliminated on Disposal	-	(462,820)	-	-	(56,183)	(101)	(194,528)	-	(713,632)
Derecognised during the year	-	-	(1,703,526)	-	-	-	-	-	(1,703,526)
Effect of movements in exchange rates	-	-	-	658,384	(230,204)	(147,592)	5,771	-	286,359
Balance at the end	-	6,336,422	1,192,653	5,837,854	5,215,882	24,050,259	2,757,307	-	45,390,377
Carrying amounts:									
Balance at end of the period	4,685,144	22,008,636	6,159,043	1,081,603	4,702,523	17,947,880	4,655,976	2,119,577	63,360,382
Balance at 31 December 2024	4,684,743	20,642,283	4,467,909	1,353,181	2,684,537	15,617,325	4,139,290	2,405,200	55,994,468

COMPANY

31 DEC 2025	Leasehold land		Right-of-use Assets- Buildings	Leasehold improvement	Motor vehicles	Furniture, fittings and Equipment	Computer equipment	Capital Work in progress	Total
<i>In thousands of Naira</i>		Buildings							
Cost									
At 1 January	-	-	-	68,133	192,527	32,956	32,478	-	326,094
Additions during the year	-	-	-	-	-	8,002	10,578	244,596	263,176
Derecognised during the year	-	-	-	-	-	(116)	(2,241)	-	(2,356)
Balance at the end	-	-	-	68,133	192,527	40,843	40,815	244,596	586,914
Accumulated depreciation									
At 1 January	-	-	-	8,694	53,513	16,480	11,645	-	90,332
Depreciation for the year (see note 16)	-	-	-	6,295	48,132	7,095	8,513	-	70,035
Eliminated on Disposal	-	-	-	-	-	(115)	(2,122)	-	(2,237)
Balance at the end	-	-	-	14,989	101,645	23,460	18,036	-	158,130

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31 DEC 2024									
<i>In thousands of Naira</i>	Leasehold land	Buildings	Right-of-use Assets- Buildings	Leasehold improvement	Motor vehicles	Furniture, fittings and Equipment	Computer equipment	Capital Work in progress	Total
Cost									
At 1 January	-	-	-	5,181	191,815	21,971	17,497	-	236,464
Additions during the year	-	-	-	62,952	53,212	11,099	15,652	-	142,915
Disposal during the year	-	-	-	-	(52,500)	(114)	(671)	-	(53,285)
Balance at the end	-	-	-	68,133	192,527	32,956	32,478	-	326,094
Accumulated depreciation									
At 1 January	-	-	-	5,143	61,207	11,157	6,793	-	84,300
Depreciation for the year (see note 16)	-	-	-	3,551	44,806	5,424	5,523	-	59,304
Eliminated on Disposal	-	-	-	-	(52,500)	(101)	(671)	-	(53,272)
Derecognised during the year	-	-	-	-	-	-	-	-	-
Balance at the end	-	-	-	8,694	53,513	16,480	11,645	-	90,332
Carrying amounts:									
Balance at end of the period	-	-	-	53,144	90,882	17,383	22,779	244,596	428,784
Balance at 31 December 2024	-	-	-	59,439	139,014	16,476	20,833	-	235,762

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
31 Intangible assets				
Software (see note (a) below)	19,674,506	15,653,567	149,160	157,345
Goodwill (see note (d) below)	19,291,037	19,291,037	-	-
Customer relationships (see note (e) below)	1,299,022	1,397,682	-	-
	40,264,565	36,342,286	149,160	157,345
(a) Software				
Cost				
At 1 January	36,872,317	26,991,562	163,243	185,738
Additions during the year	39,219,051	7,479,708	-	147,298
Work-in-progress - additions during the year	4,919,864	6,022,137	-	-
Capitalised during the year	(6,260,136)	(5,948,885)	-	-
Transfer from property and equipment (see note 30)	-	(169,793)	-	(169,793)
Effect of movement in exchange rates	(28,774,403)	2,497,588	-	-
Balance at the end	45,976,693	36,872,317	163,243	163,243
Accumulated amortisation				
At 1 January	21,218,750	16,514,151	5,898	3,851
Amortisation for the year (see note 16)	5,414,892	3,809,054	8,185	2,047
Disposal during the year	-	-	-	-
Effect of movement in exchange rates	(331,455)	895,545	-	-
Balance at the end	26,302,187	21,218,750	14,083	5,898
Carrying amount	19,674,506	15,653,567	149,160	157,345

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- (b) There were no capitalised borrowing costs related to any acquisition during the period (31 December 2024: nil)
- (c) There was no impairment loss on the Bank's software during the period (31 December 2024: nil)

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(d) Goodwill				
At 1 January	19,291,037	19,291,037	-	-
Acquired during the preceding year	-	-	-	-
Transfer to assets held for sale & HoldCo	-	-	-	-
Impairment charge	-	-	-	-
Carrying amount	19,291,037	19,291,037	-	-
(e) Customer relationships				
At 1 January	1,677,217	1,677,217	-	-
Acquired during the year- (see note (g) below)	-	-	-	-
	1,677,217	1,677,217	-	-
Accumulated depreciation				
At 1 January	279,535	180,875	-	-
Charged during the year:	98,660	98,660	-	-
	378,195	279,535	-	-
Net book value	1,299,022	1,397,682	-	-
	40,264,565	36,342,286	149,160	157,345
Current	-	-	-	-
Non-current	40,264,565	36,342,286	149,160	157,345
	40,264,565	36,342,286	149,160	157,345

- (e) Goodwill is reviewed annually or more frequently for impairment when there are objective indicators that impairment may have occurred by comparing the carrying value to its recoverable amount. The recoverable amount has been calculated based on the value in use of the Personal Banking Segment Cash Generating Units (CGU), determined by discounting the future cashflows expected to be generated from the continuing use of the CGU assets and the ultimate disposals.

No impairment losses were recognised during the year ended 31 December 2025 (31 December 2024: nil) because the recoverable amounts of these CGU were determined to be higher than the carrying amount by N24.34billion.

The key assumptions used in the calculation of value in use were as follows. The values assigned to the key assumptions represent management's assessment of future trends in the relevant sectors of the bank and have been based on historical data from both external and internal sources.

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	FCMB Pensions Limited		CSL Stockbrokers Limited		Personal Banking Group	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Goodwill	N13.09billion	N13.09billion	N0.21billion	N0.21billion	N5.99billion	N5.99billion
Discount rate (see below)	34.77%	34.77%	35.35%	35.35%	27.47%	36.72%
Terminal value growth rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Forecast profit before taxes (average of next five years)	N5.96billion	N5.96billion	N5.99billion	N5.99billion	N43.48billion	N28.39billion
Forecast profit before taxes growth rate (average of next five years)	17.10%	17.10%	9.10%	9.10%	51.52%	43.13%

For FCMB Pensions Limited and CSL Stockbrokers Limited, the discount rate was a pre-tax measure (26.54% and 31.50% respectively) derived using the capital asset pricing model (CAPM) approach and that reflects the inherent risks of the specific CGU. The discount rate for the Personal Banking Group of FCMB Limited was a pre-tax measure based on the yield of the 10-year Naira bond issued in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the CGU.

Five years of cash flows were included in the discounted cash flow model. The terminal growth rate was derived from the average GDP growth rate of Nigeria from 1982 until

2023, and adjusted for industry expectations on the growth of the relevant CGU.

Forecast profit before taxes was based on expectations of future outcomes taking into account past experience, adjusted for the anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past four years and the estimated growth for the next five years.

The key assumptions described above may change as economic and market conditions change. The Group estimates that reasonably possible changes in these assumptions would not cause the recoverable amount of either CGU to decline below the carrying amount.

32 Deferred tax assets and liabilities

(a) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

GROUP

In thousands of Naira	Assets	Liabilities	Net	Assets	Liabilities	Net
	31 DEC 2025			31 DEC 2024		
Property and equipment	1,742,977	(540,762)	1,202,215	1,202,215	(380,803)	821,412
Allowances for loan losses	3,563,351	-	3,563,351	2,403,788	-	2,403,788
Tax loss carried forward	4,537,223	-	4,537,223	4,537,223	-	4,537,223
Effects of movement in exchange rates	47,495	(1,071,390)	(1,023,895)	47,495	(4,361,472)	(4,313,977)
Net tax assets/ (liabilities)	9,350,284	(1,612,152)	8,278,894	8,190,721	(4,742,275)	3,448,446

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COMPANY

	31 DEC 2025			31 DEC 2024		
	Assets	Liabilities	Net	Assets	Liabilities	Net
<i>In thousands of Naira</i>						
Property and equipment	-	35,746	35,746.41	-	-	-
Allowances for loan losses	-	(1,109,000)	(1,109,000)	-	-	-
Effects of movement in exchange rate	-	-	-	-	(4,361,472)	(4,361,472)
Net tax assets/ (liabilities)	-	(1,071,390)	(1,073,254)	-	(4,361,472)	(4,361,472)

	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
<i>In thousands of Naira</i>				
Deferred tax assets				
Current	-	-	-	-
Non-current	9,350,284	8,190,721	(1,073,254)	(4,361,472)
	9,350,284	8,190,721	(1,073,254)	(4,361,472)

(b) Movements in temporary differences during the year ended 31 December 2025

	GROUP			
	Balance at 1 January 2025	Recognised in profit or loss	Recognised in other comprehensive income	Balance at 31 December 2025
Property and equipment	1,202,215	-	-	1,202,215
Allowances for loan losses	2,403,788	1,159,563	-	3,563,351
Tax loss carried forward	4,537,223	-	-	4,537,223
Effects of movement in exchange rates brought forward	47,495	-	-	47,495
	8,190,721	1,159,563	-	9,350,284

Movements in temporary differences during the year ended 31 December 2024

	GROUP			
	Balance at 1 January 2024	Recognised in profit or loss	Recognised in other comprehensive income	Balance at 31 December 2025
Property and equipment	1,202,215	-	-	1,202,215
Allowances for loan losses	2,403,788	-	-	2,403,788
Tax loss carried forward	4,537,223	-	-	4,537,223
Effects of movement in exchange rates brought forward	13,332	34,163	-	47,495
	8,156,558	34,163	-	8,190,721

The Group has applied judgment that the Federal Government of Nigeria (FGN) will likely extend the Companies Income Tax (Exemption of Bonds and Short Term Government Securities) Order, 2011, beyond 2021, in order to stimulate continuous participation in the treasury bills market and to meet government funding needs.

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FOR THE YEAR ENDED 31 DECEMBER 2025

(c) Unrecognised deferred tax assets

The amount of deductible temporary differences for which no deferred tax asset is recognised in the Company & Group is detailed below:

<i>In thousands of Naira</i>	31 DEC 2025		31 DEC 2024	
	Gross amount	Tax Impact	Gross Impact	Tax amount
Tax losses	80,387,327	24,116,198	180,639,036	54,191,711
Allowance for loan losses and other losses	30,044,941	9,013,482	73,489,654	24,251,586
Property and equipment (unutilised capital allowance)	16,154,961	4,846,488	45,125,408	13,537,622
Other deductible temporary differences	19,304,367	5,791,310	98,088,896	32,369,336
	145,891,596	43,767,478	397,342,994	124,350,255

Deferred tax assets have not been recognized in respect of these items because it is not presently probable that future taxable profits will be available against which the Group can use the benefits therefrom.

(d) The tax losses for which no deferred tax asset was recognised, will never expire.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
33 Deposits from the banks				
Money market deposits	2,521,042	212,984,828	-	-
Trade related obligations to foreign banks	1,007,834,923	621,908,400	-	-
	1,010,355,965	834,893,228	-	-
Current	1,010,355,965	834,893,228	-	-
Non-current	-	-	-	-
	1,010,355,965	834,893,228	-	-
34 Deposits from customers				
Term deposits	1,032,122,237	1,349,044,126	-	-
Current deposits	522,529,561	698,176,489	-	-
Savings	1,318,417,902	1,041,700,659	-	-
	2,873,069,700	3,088,921,274	-	-
Corporate customers:				
Term deposits	496,314,817	477,846,252	-	-
Current deposits	1,049,136,441	729,718,323	-	-
	1,545,451,258	1,207,564,575	-	-
	4,418,520,958	4,296,485,849	-	-
Current	4,357,831,301	4,288,780,515	-	-
Non-current	60,689,657.00	7,705,334	-	-
	4,418,520,958	4,296,485,849	-	-

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Corporate customers represents deposits from corporate bodies, government agencies while retail customers represents deposits from individuals, unregistered small and medium scale business ventures.

35 Retirement benefit obligations

Defined contribution scheme

The Group and its employees make a joint contribution, 18% of basic salary, housing and transport allowance to each employee's retirement savings account maintained with their nominated pension fund administrators. During the year, the Group complied with the Pension Reform Act 2014 and contributed 10% while employees contributed 8%. The payment made to the pension fund administrators are up to date.

Total contributions to the scheme for the year were as follows:

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
At 1 January	52,502	123,631	-	-
Charged to profit or loss for the year (see note 15)	1,652,945	1,377,528	32,882	25,048
Employee contribution for the year	2,066,181	1,102,022	41,103	20,038
Total amounts remitted for the year	(3,659,005)	(2,550,679)	(73,985)	(45,086)
Balance at the end	112,623	52,502	-	-

36 Other liabilities

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2024	31 DEC 2023	31 DEC 2024	31 DEC 2023
(a) Other financial liabilities:				
Customers' deposit for letters of credit	41,060,287	163,839,967	-	-
Bank cheques/drafts	6,982,718	7,297,034	-	-
Negotiated letters of credits	44,103,965	77,704,567	-	-
E-settlement payables	24,322,853	5,149,453	-	-
Collections and settlement account balances (see note (c))	283,762,318	80,135,408	-	-
Unclaimed items	2,918,176	4,023,174	-	-
Undisbursed intervention funds & payable suspense (see note (d))	3,065,172	12,167,572	-	-
Accounts payables	28,684,125	17,629,343	6,200,167	561,247
Other liability (see note (h))	10,973,680	-	10,973,680	-
Accounts payable - unclaimed dividend	1,366,469	1,600,580	1,366,469	1,600,580
	447,239,762	369,547,098	18,540,316	2,161,827
(b) Other non-financial liabilities:				
Deferred income & Rent received in advance (see note (f))	2,650,252	1,465,064	-	-
Withholding tax and value added tax payables	8,056,379	6,779,562	159,047	103,769
Accrued expenses	48,532,240	30,645,805	2,611,895	1,495,009
Lease liability (see note (g))	2,763,322	2,973,675	-	-
	62,002,193	41,864,106	2,770,942	1,598,778
	509,241,955	411,411,204	21,311,258	3,760,605
Current	537,531,171	177,067,105	17,173,847	2,411,502
Non-current	(28,289,216)	234,344,099	4,137,411	1,349,103
	509,241,955	411,411,204	21,311,258	3,760,605

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- (c) Collections are balances held in trust on behalf of customers for various transactions. These include collection for remittances, payments, etc.
- (d) This relates to onlending facilities undisbursed as customers are yet to meet conditions precedent to drawdown as well as the related accrued payables.
- (e) The amount presented as other liability represents a deposit by an intending buyer for the acquisition of 10% out of the Group's 91.71% stake in the Pension subsidiary (FCMB Pensions). The completion of this transaction is subject to regulatory approvals, including a no-objection from the Pension Commission and the Central Bank of Nigeria. This regulatory approval is not yet received as at 31 December 2025, hence, the recognition of this amount as a liability.
- (f) This relates to outstanding rent paid in advances from sublet and Included deferred income are fees on financial guarantee contracts, which represents the amount initially recognised less cumulative amortisation.
- (g) The Banking subsidiary leases a number of properties to serve as its branch outlets. The net carrying amount of leased assets, included within property and equipment as right-of-use assets is N2.70billion and N2.45billion as at 31 December 2025 (31 December 2024: N2.70billion and N2.45billion) for Bank. Some of the leases are settled immediately and so the liability for additions does not agree to the right of use asset additions, for the portion that is settled immediately at commencement.

The maturity analysis of lease liabilities is analysed as follows:

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Not more than one year	1,064,738	909,260	-	-
Over one year but less than five years	1,617,867	747,119	-	-
More than five years	80,717	1,317,296	-	-
	2,763,322	2,973,675	-	-
The table below shows the movement in lease liability during the year:				
As at 1 January	2,823,675	1,588,134	-	-
Additions during the year	834,078	530,851	-	-
Interest expense on lease liabilities	367,182	278,430	-	-
Less: Lease payments	(724,314)	(668,736)	-	-
Less: Derecognised lease liability	(599,452)	921,937	-	-
Lease modification	-	(12,292)	-	-
Effects of movement in exchange rates	(134,874)	335,351	-	-
Balance at the end	2,763,322	2,973,675	-	-

The Group does not face any significant risk with regards to the lease liability. Also the Bank's exposure to liquidity risk as a result of leases are monitored by the Bank's enterprise risk management unit.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Legal claims (see note (d))	11,036,153	12,294,936	-	-
Financial guarantee contracts and loan commitments issued (see note (b))	782,255	727,310	-	-
	11,818,408	13,022,246	-	-
Current	1,181,841	-	-	-
Non-current	10,636,567	13,022,246	-	-
	11,818,408	13,022,246	-	-

37 Provision

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(a) **Movement in provision during the year**

GROUP	31 DEC 2025			31 DEC 2024		
	Legal claims	Financial guarantee contracts and loan commitments issued	Total	Legal claims	Financial guarantee contracts and loan commitments issued	Total
At 1 January	12,294,936	727,310	13,022,246	10,317,304	579,223	10,896,527
Net remeasurement loss allowance (see note 10)	-	46,773	46,773	-	154,140	154,140
Provisions made during the year (see note 18(a))	2,700,000	-	2,700,000	2,852,258	-	2,852,258
Amount utilised during the year	(3,413,433)	-	(3,413,433)	(4,485,426)	-	(4,485,426)
Effects of movement in exchange rates	(545,350)	8,172	(537,178)	3,610,800	(6,053)	3,604,747
Balance at the end	11,036,153	782,255	11,818,408	12,294,936	727,310	13,022,246

(b) The amount represents the sum of ECL provision of N728.12million (31 December 2024: N644.38million) on financial guarantee contracts and N54.14million (31 December 2024: N82.93million) on undrawn loan commitments respectively in respect of financial guarantee contracts and loan commitment issued.

(c) Included in deferred income are fees on financial guarantee contracts, which represents the amount initially recognised less cumulative amortisation reclassified to other liabilities.

(c) **Legal claims:** This represents provision reserved for pending probable legal cases that may crystallize, see note 44.

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
38 On-lending facilities				
Bank of industry (BOI) (see note (a) below)	142,582,601	2,914,996	-	-
Commercial Agriculture Credit Scheme (CACs) (see note (b) below)	580,055	908,896	-	-
Real Sector Support Facility (RSSF) (see note (c) below)	-	2,047,486	-	-
Real Sector Support Facility (RSSF) Differentiated Cash				
Reserve Requirement Scheme (DCRR) (see note (d) below)	139,855,750	169,178,058	-	-
Power & Aviation Intervention Fund (see note (e) below)	2,540,974	1,033,679	-	-
Babagana Agricultural Scheme (see note (f) below)	2,114,428	2,023,753	-	-
"Micro, Small and Medium Enterprises Development Fund (MSMEDF) (see note (g) below)"	-	1,288	-	-
Development Bank of Nigeria (DBN) (see note (h) below)	28,518,695	20,059,392	-	-
Nigerian Export - Import Bank (NEXIM) (see note (i) below)	2,000,000	6,636,083	-	-
	318,192,503	204,803,631	-	-

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(a) **Bank of Industry (BOI) Intervention**

The Bank of Industry (BOI) - SME / Manufacturing Intervention Fund represents an intervention credit granted to the Bank for the purpose of refinancing / restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and Manufacturing Companies. The facility is secured by Nigerian Government Securities. The value of Government securities pledged as collateral is N104billion for 31 December 2025 (31 December 2024: N333billion), (see note 25 (c)). The maximum tenor for term loans under the programme is 15 years while the tenor for working capital is one year, renewable annually subject to a maximum tenor of five years. A management fee of 1% per annum is deductible at source in the first year, and quarterly in arrears thereafter, is paid by the Bank under the intervention programme and The facility attracts an interest rate of 16.00% per annum for loan tenors up to 3 year and above and the Bank is under obligation to on-lend to customers at an all-in interest spread of 6% per annum. The Bank is the primary obligor to BOI and assumes the credit risk.

(b) **Commercial Agriculture Credit Scheme (CACS)**

The fund received under the Central Bank of Nigeria (CBN) Commercial Agriculture Credit Scheme represents a credit line granted to the Bank for the purpose of providing concessionary funding to the agricultural sector. The facility has a tenor of 16 years with effect from 2009 and will expire in September 2025. The facility attracts an interest rate of 2% per annum and the Bank is under obligation to on-lend to the Bank's qualified customers at an all-in interest rate of not more than 9% per annum. Based on the structure of the facility, the Bank assumes the credit risk of all amounts lent to the Bank's customers. This facility is not secured.

(c) **Real Sector Support Facility (RSSF)**

The Central Bank of Nigeria, as part of the efforts to unlock the potential of the real sector to engender output growth, productivity and job creation has established a N300 billion Real Sector Support Facility (RSSF). The facility is disbursed to large enterprises and startups with financing needs of N500 million up to a maximum of N10.0 billion.

The activities targeted by the Facility are manufacturing, agricultural value chain and selected service sub-sectors. The funds are received from the CBN at 3%, and disbursed at 9% to the beneficiary.

(d) **Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement Scheme (DCRR)**

The amount represents the outstanding balance on the on-lending facility granted to the Bank by Central Bank of Nigeria (CBN) in respect of the Real Sector Support Facility (RSSF) Differentiated Cash Reserve Requirement scheme (DCRR) established by CBN supporting the Real Sector (agriculture and manufacturing). The facility is for a minimum period of 7 years inclusive of 24 months moratorium at all-in 9% interest rate on a quarterly basis. The fund arose from the restricted reserve deposits of the Bank under the differentiated restricted reserve deposits regime by CBN, (see note 28(c)).

(e) **Power & Aviation intervention Fund**

The purpose of granting new loans and refinancing / restructuring existing loans to companies in the power and aviation industries is to support Federal Government's focus on the sectors. The facility is secured by Irrevocable Standing Payment Order (ISPO). The maximum tenor for term loans under the programme is 15 years while the tenor for working capital is one year, with option to renew the facility annually subject to a maximum tenor of five years. The facility attracts an interest rate of 1% per annum payable quarterly in arrears and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. This facility is not secured.

(f) **Babagona Agricultural Scheme**

The Babagona Agricultural Scheme is an intervention fund received from Mastercard Foundation, to support the Micro Small & Medium Scale Enterprises (MSME) sub-sector of the Nigerian economy. The facility attracts an interest rate of 9% per annum and the Bank is obligated to on-lend to MSMEs at 9% per annum. This facility is not secured. It was provided to support financially disadvantaged persons and communities in order to develop entrepreneurs as a means of relieving poverty through Agricultural sector.

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(g) Micro, Small and Medium Enterprises Development Fund (MSMEDF)

The Micro Small & Medium Scale Enterprises Development Fund (MSMEDF) is an intervention fund received from Central Bank of Nigeria, established to support the channeling of low interest funds to the Micro Small & Medium Scale Enterprises sub-sector of the Nigerian economy. The facility attracts an interest rate of 2% per annum and the Bank is obligated to on-lend to SMEs at 9% per annum. The maximum tenor is 5 years while the tenor for working capital is 1 year. This facility is not secured.

(h) Development Bank of Nigeria (DBN)

The Development Bank of Nigeria (DBN) is a line of credit granted to the Bank for the purpose of providing on lending concessionary loans to MSMEs, including agricultural sector, manufacturing sector and gender loans. The facility has a maximum tenor of 10 years for term loans and a maximum tenor of 3 years for working

capital requirements. The facility attracts an interest rate of between 9.76% - 15.00% per annum for loan tenors up to 3 year and above and the Bank is under obligation to on-lend to customers at an all-in interest spread of 6% per annum. This facility is secured by government securities valued N6.21billion (31 December 2024: N9.87billion).

(i) Nigerian Export - Import Bank (NEXIM)

The Nigerian Export - Import Bank (NEXIM) is a line of credit granted to the Bank for the purpose of providing on lending concessionary trade finance loans to export-oriented enterprises in agricultural sector. The facility has a maximum tenor of 2 years for term loans and a maximum tenor of 1 year for working capital requirements. The facility attracts an interest rate of 6.0% per annum for loan tenors up to 2 year and above and the Bank is under obligation to on-lend to customers at an all-in interest spread of 9% per annum.

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 20225	31 DEC 2024
39 Debt securities issued				
Debt securities at amortised cost:				
Note issued (see note (a) below)	-	72,260,850	-	-
Note issued (see note (b) below)	-	81,946,349	-	-
Note issued (see note (c) below)	29,997,098	29,998,350	-	-
Note issued (see note (d) below)	14,202,624	14,870,400	-	-
Commercial paper issued (see note (e) below)	77,383,434	-	-	-
	121,583,156	199,075,949	-	-
Current	83,009,636	101,160,234	-	-
Non-current	38,573,520	97,915,715	-	-
	121,583,156	199,075,949	-	-

(a) This represents debt securities issued that has been repaid (31 December 2024: N72.26billion).

(b) This represents debt securities issued that has been repaid, (31 December 2024: N81.95billion).

(c) The amount of N30.00billion (31 December 2024: N30.00billion) represents the amortised cost of N30.00billion, 7year 6.1% Fixed Rate Unsecured Note Due 2030 issued on 30 November 2020. The Principal amount is repayable in November 2030 while the coupon is paid semi-annually.

(d) The amount of N14.20billion, (\$9.6million) (31 December 2024: N14.87billion) represents the amortised cost of \$9.6million), 10years 6.0% Fixed Rate Unsecured Note Due 2030 issued on 31 December 2020. The Principal amount is repayable in December 2030 while the coupon is paid semi-annually.

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- (e) The amount represents commercial papers issuance of the ₦20.00bn Series 1 and ₦80.00bn Series 2 under its ₦100.00bn Commercial Paper Issuance Programme on FMDQ Securities Exchange Limited maturing on 1 December 2025 and 27 February 2026 respectively.
- (f) Movement in Debt securities issued during the year was as follows:

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
At 1 January	211,467,949	140,756,656	-	-
Accrued coupon interest for the year	9,020,229	9,560,464	-	-
Additions during the year	66,242,097	-	-	-
Repayments during the year	(154,207,199)	-	-	-
Coupon interest paid during the year	(1,139,967)	(8,279,934)	-	-
Effects of movement in exchange rates	(9,799,953)	69,430,763	-	-
Balance at the end	121,583,156	211,467,949	-	-

40 Borrowings

(a) Borrowings comprise:	-	-	-	-
Oikocredit Cooperative Society, Netherlands (see note (b) below)	2,933,494	6,311,397	-	-
Societe De Promotion et De Participation Pour La Cooperation Economique SA. (Proparco) (see note (c) below)	14,584,585	31,283,113	-	-
African Development Bank (AfDB) (see note (d) below)	64,592,240	53,322,856	-	-
African Export-Import Bank (Afrexim) (see note (e) below)	72,298,304	103,526,388	-	-
ECOWAS Bank for Investment & Development (EBID) (see note (f) below)	-	77,599,251	-	-
Netherlands Development Finance Company (FMO) (See note (g) below)	66,036,258	-	-	-
FCMB Asset Management(See note (h) below)	145,125,450	87,819,022	5,708,894	5,320,125
	365,570,331	359,862,027	5,708,894	5,320,125
Current	171,270,004	-	-	-
Non-current	194,300,327	359,862,027	5,708,894	5,320,125
	365,570,331	359,862,027	5,708,894	5,320,125

(b) The amount of ₦2,933,494,000 (31 December 2024: ₦6,311,397,000) represents an unsecured facility of \$10million granted by Oikocredit Cooperative Society, Netherlands repayable installmentally over a tenor of 5 years maturing 20 April 2026 with an interest rate of 6 months USD SOFR + 5.0%.

(c) The amount of ₦14,584,585,000 (31 December 2024: ₦31,283,113,000) represents an unsecured facility of \$35million granted by Societe De Promotion et De

Participation Pour La Cooperation Economique SA. (Proparco) repayable after a tenor of 5 years maturing 15 November 2026 with an interest rate of 6 months USD SOFR + 5.83%.

(d) The amount of ₦64,592,240,000 (31 December 2024: ₦53,322,856,000) represents an unsecured facility of \$50million granted by African Development Bank (AfDB) repayable after a tenor of 7 years maturing 1 August 2029 with an interest rate of 6 months USD SOFR + 4.75%.

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FOR THE YEAR ENDED 31 DECEMBER 2025

- (e) The amount of N72,298,304,000 (31 December 2024: N103,526,388,000) represents an unsecured facility of \$75million granted by African Export-Import Bank (Afrexim) repayable installmentally over a tenor of 5 years maturing 3 January 2028 with an interest rate of 3 months USD SOFR + 5.2%.
- (f) This represents facility issued that has been repaid, (31 December 2024: N77,599,251,000).
- (g) The amount of N66,036,258,000 represents an unsecured facility of \$60million granted by Netherlands Development Finance Company (FMO), repayable installmentally over a tenor of 5 years maturing 20 October 2028 with an interest rate of 6 months USD SOFR + 4.5%.
- (h) The amount of N145,125,450,000 (31 December 2024: N87,819,022,000) represents promissory notes issued to various parties, by the company and Credit Direct Finance Company Limited (CDFCL) through First City Asset Management Limited. The borrowings comprise of several individual amounts ranging from N21million to N1billion, with interest rates ranging from 18% to 25.55% and tenor ranging from 3 to 12 months.
- (i) The Group has not defaulted in the payment of principal or interest neither has the Bank been in breach of any covenant relating to the liabilities during the period (31 December, 2024: nil).

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(c) Movement in borrowings account during the period was as follows:				
At 1 January	359,862,027	136,482,823	5,320,125	2,917,689
Additions during the year	90,515,068	219,026,254	-	3,120,000
Repayments during the year	(49,709,184)	(62,476,333)	-	-
Accrued interest for the year	1,265,968	3,460,344	1,265,968	200,125
Interest paid during the year	(3,306,939)	(2,798,117)	(877,199)	(917,689)
Effects of movement in exchange rates	(33,056,609)	66,167,056	-	-
Balance at the end	365,570,331	359,862,027	5,708,894	5,320,125

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
41 Share capital				
(a) Authorised				
42.8 billion ordinary shares of 50k each (31 December 2024: 39.6billion)	21,385,853	19,802,710	21,385,853	19,802,711
(b) Issued and fully paid				
42.8 billion ordinary shares of 50k each (31 December 2024: 39.6billion)	21,385,853	19,802,710	21,385,853	19,802,711
The movement on the issued and fully paid-up share capital account during the year was as follows:				
At 1 January	19,802,710	9,901,355	19,802,710	9,901,355
Issue of shares (see 41 (c) below)	1,583,143	9,901,355	1,583,143	9,901,355
Balance at the end	21,385,853	19,802,710	21,385,853	19,802,710

Notes to the Consolidated and Separate Financial Statements

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- (c) In September 2025, FCMB Group Plc issued shares through a convertible loan arrangement. Company issued additional 3,166,284,712 (three billion) units of ordinary shares of 50 kobo each.

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(d) Additional Tier 1 (AT1) Capital (Series I & II)	46,686,000	46,686,000	46,686,000	46,686,000

On the 16 February 2023, FCMB Group Plc issued a N20,686,000,000.00 (series 1) Perpetual 16% Fixed Rate Resetable NC 5.25 Additional Tier 1 Subordinated Bonds ("the Bonds" or "AT1 Instrument") under the Issuer's N300,000,000,000 Debt Issuance Programme listed on the FMDQ Exchange and/or The NGX. The proceeds was used for the purchase of the Intercompany Notes issued by First City Monument Bank Limited, for purposes of the Bank financing incremental term lending in focus sectors and shoring up the Bank's regulatory capital base. The Intercompany Notes were issued under the same terms as the AT1.

On the 24 October 2023, FCMB Group Plc issued a N26,000,000,000.00 (series 2) Perpetual 16% Fixed Rate Resetable NC 5.25 Additional Tier 1 Subordinated Bonds ("the Bonds" or "AT1 Instrument") under the Issuer's N300,000,000,000 Debt Issuance Programme listed on the FMDQ Exchange and/or The NGX. The proceeds was used for the purchase of the Intercompany Notes issued by First City Monument Bank Limited, for purposes of the Bank financing incremental term lending in focus sectors and shoring up the Bank's regulatory capital base. The Intercompany Notes were issued under the same terms as the AT1.

The principal terms of the issue are described below:

- (i) The AT1 security will rank in claim behind all present and future Senior Obligation; pari passu without any preference among themselves with all present and future parity obligations and in priority to all payments in respect of all present and future Junior Obligations.
- (ii) The AT1 security is undated and are redeemable, at the option of FCMB Group PLC in whole at any time from the fifth year up to and including the First Reset Date, and every Interest Payment Date thereafter; subject to the

prior approval of the Central Bank of Nigeria and the CBN Guidelines on Regulatory Capital (as amended from time to time).

- (iii) AT1 security will bear a fixed rate of interest of 16% percent until the initial call date or the initial reset date, as the case may be. After the initial call date or the initial reset date, as the case may be, in the event that they are not redeemed, the AT1 security shall bear interest on its Outstanding Principal Amount at a rate per annum (the "Interest Rate") equal to:
 - (a). In respect of the period from (and including) the Issue Date to (but excluding) the First Reset Date, 16% per annum; and
 - (b). In respect of each Reset Period, the aggregate of: (i) the Reset Margin of 1.44% per annum and (ii) the then applicable Benchmark Rate,

The Interest Rate in (b) above ("Reset Interest Rate") shall apply in the event that the Bonds are not redeemed on any Reset Date, and it shall be determined by the Calculation Agent on the Reset Determination Date. The Reset Margin will be fixed, and there will be no step-up in the interest rate. Interest rate is subject to "Coupon Discretion" and/ "Loss Absorption".

- (iv) Interest on the AT1 security will be due and payable only at the sole discretion of the Bank, and it has sole and absolute discretion at all times and for any reason to cancel (in whole or in part) any interest payment that would otherwise be payable on any interest payment date. Interest on the Notes will be payable semi-annually in arrears on the 16 February and 16 August of each year, from the Issue Date of 16 February 2023, and 24 April and 24 October of each year from the Issue Date of 16 October 2023 respectively up to and, including, the Call Date or Reset Date.

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GROUP

	31 DEC 2025	31 DEC 2024
Interest coupon paid on Additional Tier 1 (AT1) Capital	7,466,366	7,409,672
	7,466,366	7,409,672

COMPANY

	31 DEC 2025	31 DEC 2024
Interest coupon paid on Additional Tier 1 (AT1) Capital	7,466,366	7,409,672
	7,466,366	7,409,672

42 Share premium and reserves

The nature and purpose of the reserves in equity are as follows:

- (a) **Share premium:** is the excess paid by shareholders over the nominal value for their shares. Premiums from the issue of shares are reported in share premium.
- (b) **Retained earnings:** Retained earnings comprise the undistributed profits from previous years, which have not been reclassified to the other reserves.
- (c) **Other reserves:** comprises of these reserves:
 - (i) **Statutory reserve:** Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of 1991 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital. The Bank transferred 15% of its 'profit after tax to statutory reserves as at year end (31 December 2024: 15%).

- (ii) **AGSMEIS reserve:** The AGSMEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first 5 years but Banks' contributions shall thereafter reduce to 5% of profit after tax. The small and medium scale industries equity investment scheme reserves are non-distributable. In the CBN Circular dated 5 April 2017, all DMBs are required to set aside and remit 5% of the annual profit after tax for equity investments.

- (iii) **Fair Value Reserve:** The fair value reserves comprise:
 - the cumulative net change in the fair value of equity securities designated at fair value through other comprehensive income and
 - the cumulative net change in fair value of debt securities at fair value through other comprehensive income until the assets are derecognised or reclassified. The amount is reduced by the amount of loss allowance.

- (iv) **Regulatory risk reserve:** The regulatory risk reserve warehouses the difference between the impairment of loans and advances under the Nigerian GAAP and Central Bank of Nigeria prudential guidelines and the expected loss model used in calculating the impairment balance under IFRS Accounting Standards.

- (v) **Foreign currency translation reserve (FCTR):** Records exchange movements on the Group's net investment in foreign subsidiaries.

- (vi) **Forbearance reserve:** this is a non-distributable reserve which arose from forbearance granted by Central Bank of Nigeria being an additional appropriation of 15% of profit after tax to account for potential future provisions valid until 30 June 2025.

Notes to the Consolidated and Separate Financial Statements

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43 Non-controlling Interest (NCI)

Disclosure of NCI in the Group's subsidiary

The following table summarises the information relating to the Group's subsidiary - FCMB Pensions Limited

GROUP

	31 DEC 2025	31 DEC 2024
NCI Percentage	8.29%	8.29%
Total Assets	28,048,366	20,974,536
Total Liabilities	13,265,473	8,248,564
Net Assets	14,782,893	12,725,972
Estimated NCI share of Net Assets	1,225,502	1,054,983
Adjustment to NCI	(244,350)	(244,355)
Net assets attributable to NCI	981,152	810,628
Movement in NCI		
Balance at 1 January	810,628	710,614
Transfer to associate		
Dividend paid/declared	(90,755)	(103,142)
Adjustment in NCI	-	
Share of profit post acquisition	256,419	203,156
Share of other comprehensive income	4,858	-
Total NCI at 31 December	981,152	810,628

44 Contingencies

(a) Legal Proceedings

The Group in its ordinary course of business is presently involved in 469 cases as a defendant (31 December 2024: 499) and 59 cases as a plaintiff (31 December 2024: 133). The total amount claimed in the 469 cases against the Group is estimated at N465.16 billion (31 December 2024: N152.21 billion) while the total amount claimed in the 59 cases instituted by the Group is N201.23 billion (31 December 2024: N46.2 billion).

The Directors of the Group are of the opinion that none of the aforementioned cases is likely to have material adverse effect on the Group and are not aware of any other pending and or threatened claims or litigation which may be material to the financial statements. Based on the realistic reserves as recommended by solicitors in charge

of these ongoing litigations, a provision has been made for the period ended 31 December 2025 of N11.04billion (31 December 2024: N12.29billion). See note 37(a) for the provisions made in the books for claims.

Other contingent liabilities and commitments

The banking subsidiary conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Nature of instruments

An acceptance is undertaken by a bank to pay a bill of exchange drawn on a customer. The Bank expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

residual liabilities of the Bank in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related custom and performance bonds and are generally short term commitments to third parties which are not directly

dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed year, or have no specific maturity dates but are cancellable by the lender subject to notice requirements. Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The table below summarises the fair value amount of contingent liabilities and commitments off-financial position risk:

Acceptances, bonds, guarantees and other obligations for the account of customers:

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Performance bonds and guarantees	618,334,206	471,245,217	-	-
Loan commitments	2,623,450	3,146,449	-	-
Clean line letters of credit	209,103,435	234,849,922	-	-
	830,061,091	709,241,588	-	-
Other commitments	26,550	32,010	-	-
	830,087,641	709,273,598	-	-

Clean line letters of credit, which represent irrevocable assurances that the Bank will make payments in the event that a customer cannot meet its obligations, carry the same credit risk as loans.

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

45 Group subsidiaries and related party transactions

(a) Parent and Ultimate controlling party

FCMB Group Plc is the ultimate parent company and its subsidiaries are as listed in note 46(b) below:

(b) Subsidiaries:

Transactions between FCMB Group Plc and its subsidiaries which are eliminated on consolidation are not separately disclosed in the consolidated financial statements. The Group's effective interests and investments in subsidiaries as at 31 December 2025 are shown below.

Entity	Form of holding	Effective holding	Nominal share capital held N'000	Country of incorporation	Nature of business
(1) First City Monument Bank Limited	Direct	100%	279,088,794	Nigeria	Banking
(2) FCMB Capital Markets Limited	Direct	100%	240,000	Nigeria	Capital Market
(3) CSL Stockbrokers Limited (CSLS)	Direct	100%	3,053,777	Nigeria	Stockbroking
(4) FCMB Trustees Limited	Direct	100%	220,000	Nigeria	Trusteeship
(5) FCMB Microfinance Bank Limited	Direct	100%	1,000,000	Nigeria	Micro-lending Pension Fund
(6) FCMB Pensions Limited	Direct	91.71%	11,925,884	Nigeria	Manager
(7) Credit Direct Finance Company Limited (CDFCL)	Direct	100%	366,210	Nigeria	Micro-lending
(8) FCMB (UK) Limited (FCMB UK)	Indirect	100%	7,791,147	United Kingdom	Banking
(9) FCMB Asset Management Limited	Indirect	100%	50,000	Nigeria	Asset Management
(10) FCMB Financing SPV Plc.	Indirect	100%	250	Nigeria	Capital Raising

(c) Significant restrictions

The Group does not have significant restrictions on its ability to access or use its assets and settle its liabilities other than those resulting from the supervisory frameworks within which its banking subsidiaries operate. The carrying amounts of banking subsidiaries' assets and liabilities are N7,608.08billion and N6,833.44 billion, respectively (31 December 2024: N7,053.18billion and N6,398.71billion respectively).

Notes to the Consolidated and Separate Financial Statements

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(d) Condensed Financial Information

(i) The condensed financial data of the consolidated entities as at 31 December 2025 were as follows:

RESULTS OF OPERATIONS

In thousands of Naira	FCMB GROUP PLC		FCMB LIMITED		FCMB CM LIMITED		CSL STOCK -BROKERS LIMITED		FCMB LIMITED		FCMB TRUSTEES LIMITED		FCMB MFB LIMITED		FCMB PENSIONS LIMITED		CREDIT DIRECT FINANCE COMPANY LIMITED		CONSOLI- DATION JOURNAL ENTRIES		GROUP	
	GROUP PLC	FCMB LIMITED	FCMB CM LIMITED	CSL STOCK -BROKERS LIMITED	FCMB LIMITED	FCMB TRUSTEES LIMITED	FCMB MFB LIMITED	FCMB PENSIONS LIMITED	CREDIT DIRECT FINANCE COMPANY LIMITED	CONSOLI- DATION JOURNAL ENTRIES	GROUP PLC	FCMB LIMITED	FCMB CM LIMITED	CSL STOCK -BROKERS LIMITED	FCMB LIMITED	FCMB TRUSTEES LIMITED	FCMB MFB LIMITED	FCMB PENSIONS LIMITED	CREDIT DIRECT FINANCE COMPANY LIMITED	CONSOLI- DATION JOURNAL ENTRIES		GROUP
Interest and discount income	8,151,804	927,519,577	349,710	882,511	154,663	543,827	681,671	70,222,858	1,008,506,621	(3,177,515)	1,005,329,106											
Interest expense	(1,265,968)	(479,379,138)	-	(111,288)	-	(7,983)	-	(21,835,244)	(502,599,621)	3,177,515	(499,422,106)											
Net interest income	6,885,836	448,140,439	349,710	771,223	154,663	535,844	681,671	48,387,614	505,907,000	-	505,907,000											
Other income	33,522,226	81,318,295	2,789,596	7,330,173	504,606	229,716	11,257,358	3,299,493	140,251,463	(35,047,313)	105,204,150											
Operating income	40,408,062	529,458,734	3,139,306	8,101,396	659,269	765,560	11,939,029	51,687,107	646,158,463	(35,047,313)	611,111,150											
Operating expenses	(8,214,229)	(288,725,121)	(1,239,485)	(4,214,376)	(377,766)	(398,159)	(7,350,016)	(22,873,117)	(333,392,269)	4,900,684	(328,491,585)											
Impairment losses on financial instruments	(213,005)	(78,084,199)	2,381	(35,091)	(9,609)	(17,177)	(14,474)	(3,335,725)	(81,706,899)	-	(81,706,899)											
Results from operating activities	31,980,828	162,649,414	1,902,202	3,851,929	271,894	350,224	4,574,539	25,478,265	231,059,295	(30,146,629)	200,912,666											
Share of post tax result of associate	-	-	-	1,187,730	-	-	-	-	1,187,730	-	1,187,730											
Profit before tax	31,980,828	162,649,414	1,902,202	5,039,659	271,894	350,224	4,574,539	25,478,265	232,247,025	(30,146,629)	202,100,396											
Income tax expense	1,818,595	(14,722,074)	(362,298)	(1,197,594)	(79,733)	(133,195)	(1,481,422)	(8,671,742)	(24,829,463)	-	(24,829,463)											
Profit after tax	33,799,423	147,927,340	1,539,904	3,842,065	192,161	217,029	3,093,117	16,806,523	207,417,562	(30,146,629)	177,270,933											
Other comprehensive income	-	(23,407,780)	-	122,496	-	-	58,554	-	(23,226,730)	-	(23,226,730)											
Total comprehensive income for the year	33,799,423	124,519,560	1,539,904	3,964,561	192,161	217,029	3,151,671	16,806,523	184,190,832	(30,146,629)	154,044,203											

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FINANCIAL POSITION	FCMB GROUP PLC		FCMB LIMITED GROUP		FCMB CM LIMITED		CSL STOCK -BROKERS LIMITED GROUP		FCMB TRUSTEES LIMITED		FCMB MFB LIMITED		FCMB PENSIONS LIMITED		CREDIT DIRECT FINANCE COMPANY LIMITED		CONSOLIDATION JOURNAL ENTRIES		TOTAL	GROUP	
In thousands of Naira																					
Assets																					
Cash and cash equivalents	3,014,998	1,309,567,153	343,520	12,186,200	1,918,268	1,689,528	8,262,085	31,920,540	1,368,902,292											1,298,920,721	
Restricted reserve deposits	-	1,198,149,879	-	-	-	-	-	-	1,198,149,879	-	-	-	-	-	-	-	-	-	-	-	1,198,149,879
Non-pledged trading assets	-	439,720,734	-	-	-	-	-	-	439,720,734	-	-	-	-	-	-	-	-	-	-	-	439,720,734
Derivative assets held for risk management	-	4,276,814	-	-	-	-	-	-	4,276,814	-	-	-	-	-	-	-	-	-	-	-	4,276,814
Loans and advances to customers	-	2,223,942,914	83,040	657,525	14,364	780,949	677,369	139,530,212	2,365,686,373												2,365,686,373
Assets pledged as collateral	-	104,900,576	-	-	-	-	-	-	104,900,576	-	-	-	-	-	-	-	-	-	-	-	104,900,576
Investment securities	85,157,405	2,000,504,103	3,187,713	4,430,746	201,323	44,206	4,826,779	-	2,098,352,275												2,035,651,897
Investment in subsidiaries	295,894,665	-	-	-	-	-	-	-	295,894,665												-
Investment in associates	-	-	-	2,131,287	-	-	-	-	2,131,287												2,131,287
Property and equipment, and right of use assets	428,784	55,968,099	30,444	300,991	157,335	86,554	2,824,246	3,563,929	63,360,382												63,360,382
Intangible assets	149,160	23,611,959	-	1,668	1,109	-	9,360,368	1,795,187	34,919,451												40,264,565
Deferred tax assets	-	8,932,152	49,560	33,085	10,523	-	324,964	-	9,350,284												9,350,284
Other assets	261,814,421	51,840,953	1,429,475	3,569,152	557,505	63,581	2,097,519	6,873,449	92,613,055												68,575,267
	410,826,433	7,421,415,336	5,123,752	23,310,654	2,860,427	2,664,818	28,048,366	184,008,281	8,078,258,067	(447,269,288)	7,630,988,779										
Financed by:																					
Derivative liabilities held for risk management	-	608,639	-	-	-	-	-	-	608,639												608,639
Deposits from banks	-	1,010,355,965	-	-	-	-	-	-	1,010,355,965												1,010,355,965
Deposits from customers	-	4,488,174,595	-	-	-	327,934	-	-	4,488,502,529												4,418,520,958
Borrowings	5,708,894	220,444,881	-	-	-	501,183	-	138,915,373	365,570,331												365,570,331
On-lending facilities	-	318,192,503	-	-	-	-	-	-	318,192,503												318,192,503
Debt securities issued	-	132,724,493	-	-	-	-	-	-	132,724,493												132,724,493
Retirement benefit obligations	-	54,670	-	-	-	-	-	57,953	112,623												112,623
Current income tax liabilities	4,526,751	19,876,768	697,867	1,241,178	102,781	121,233	1,423,711	8,970,434	36,960,723												36,960,723
Deferred tax liabilities	1,071,390	-	-	202,400	-	18,008	320,354	-	1,612,152												1,612,152
Provision	-	11,818,408	-	-	-	-	-	-	11,818,408												11,818,408
Other liabilities	21,311,258	466,606,910	1,781,264	13,411,715	2,193,214	93,218	11,521,408	15,577,396	532,496,383												509,241,955
Share capital	21,385,853	7,275,000	500,000	943,577	50,000	1,000,000	1,380,661	500,000	33,035,091												21,385,853
Share premium	267,574,383	259,238,158	-	1,057,250	170,000	-	4,177,965	-	532,217,756												267,574,383
Additional Tier 1 (At1)	-	-	-	-	-	-	-	-	-												-
Capital issued	46,686,000	46,686,000	-	-	-	-	-	-	93,372,000												46,686,000
Retained earnings	42,281,280	148,273,026	2,144,621	5,052,981	344,432	295,684	6,401,048	13,461,626	218,254,697												223,512,081
Other reserves	280,624	291,085,320	-	1,401,553	-	3,075,588	2,823,219	6,525,499	302,423,774												276,271,897
Non-controlling interest	-	-	-	-	-	-	-	-	-												981,152
Acceptances and guarantees	410,826,433	7,421,415,336	5,123,752	23,310,654	2,860,427	2,664,818	28,048,366	184,008,281	8,078,258,067	(475,269,287)	7,630,988,779										830,087,641

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(d) Condensed Financial Information

(ii) The condensed financial data of the consolidated entities as at 31 December 2024 were as follows:

RESULTS OF OPERATIONS

In thousands of Naira	FCMB GROUP PLC		FCMB LIMITED GROUP		FCMB CM LIMITED		CSL STOCK -BROKERS LIMITED GROUP		FCMB TRUSTEES LIMITED		FCMB MFB LIMITED		FCMB PENSIONS LIMITED		CREDIT DIRECT FINANCE COMPANY LIMITED		CONSOLIDATION JOURNAL ENTRIES		GROUP
	GROUP	PLC	LIMITED	GROUP	LIMITED	CM	LIMITED	GROUP	TRUSTEES	LIMITED	MFB	LIMITED	PENSIONS	LIMITED	FINANCE	COMPANY	LIMITED	TOTAL	
Interest and discount income	8,857,206	574,141,330	310,902	838,412	72,297	348,752	498,265	39,755,205	624,822,369	(3,018,574)	621,803,795								
Interest expense	(928,052)	(384,917,408)	-	(213,253)	-	(31,163)	-	(13,432,290)	(399,522,166)	3,018,574	(396,503,592)								
Net interest income	7,929,154	189,223,922	310,902	625,159	72,297	317,589	498,265	26,322,915	225,300,203	-	225,300,203								
Other income	34,638,026	129,549,204	2,351,313	6,350,707	396,095	233,987	8,897,853	2,409,750	184,826,935	(27,711,238)	157,115,697								
Operating income	42,567,180	318,773,126	2,662,215	6,975,866	468,392	551,576	9,396,118	28,732,665	410,127,138	(27,711,238)	382,415,900								
Operating expenses	(4,250,949)	(201,647,431)	(1,096,214)	(3,641,980)	(262,534)	(233,385)	(5,752,370)	(15,110,026)	(231,994,889)	2,938,035	(229,056,854)								
Impairment losses on financial instruments	(141,001)	(39,664,211)	(11,940)	(31,473)	(25,902)	(36,197)	-	(1,329,740)	(41,240,464)	-	(41,240,464)								
Results from operating activities	38,175,230	77,461,484	1,554,061	3,302,413	179,956	281,994	3,643,748	12,292,899	136,891,785	(24,773,203)	112,118,582								
Share of post tax result of associate	-	-	-	(223,412)	-	-	-	-	(223,412)	-	(223,412)								
Profit before tax	38,175,230	77,461,484	1,554,061	3,079,001	179,956	281,994	3,643,748	12,292,899	136,668,373	(24,773,203)	111,895,170								
Income tax expense	(7,772,543)	(23,337,493)	(394,381)	(1,304,953)	(59,964)	(104,527)	(1,193,144)	(4,390,697)	(38,557,702)	-	(38,557,702)								
Profit after tax	30,402,687	54,123,991	1,159,680	1,774,048	119,992	177,467	2,450,604	7,902,202	98,110,671	(24,773,203)	73,337,468								
Other comprehensive income	-	29,777,927	-	(167,417)	-	-	-	-	29,610,510	843,713	30,454,223								
Total comprehensive income for the year	30,402,687	83,901,918	1,159,680	1,606,631	119,992	177,467	2,450,604	7,902,202	127,721,181	(23,929,490)	103,791,691								

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL POSITION

In thousands of Naira	FCMB GROUP PLC		FCMB LIMITED GROUP		FCMB CM LIMITED		CSL STOCK -BROKERS LIMITED GROUP		FCMB TRUSTEES LIMITED		FCMB MFB LIMITED		FCMB PENSIONS LIMITED		CREDIT DIRECT FINANCE COMPANY LIMITED		CONSOLIDATION JOURNAL ENTRIES		TOTAL	GROUP
Assets																				
Cash and cash equivalents	14,371,980	791,681,166	555,345	7,358,597	1,663,589	953,299	2,235,055	13,757,910	832,576,941	(37,189,922)									795,387,019	
Restricted reserve deposits	-	1,441,465,091	-	-	-	-	-	-	1,441,465,091	-									1,441,465,091	
Non-pledged Trading assets	-	319,109,270	-	-	-	-	-	-	319,109,270	-									319,109,270	
Derivative assets held for risk management	-	1,451,932	-	-	-	-	-	-	1,451,932	-									1,451,932	
Loans and advances to customers	-	2,268,041,300	81,316	-	13,658	845,220	-	88,321,679	2,357,303,173	-									2,357,303,173	
Assets pledged as collateral	-	401,703,741	-	-	-	-	-	-	401,703,741	-									401,703,741	
Investment securities	68,603,349	1,163,893,435	2,081,054	4,170,673	197,526	25,940	4,382,770	-	1,243,354,747	(53,944,041)									1,189,410,706	
Investment in subsidiaries	273,168,431	-	-	-	-	-	-	-	273,168,431	(273,168,431)									-	
Investment in associates	-	-	-	943,649	-	-	-	-	943,649	795,147									1,738,796	
Property and equipment, and right of use assets	235,762	50,230,724	55,886	319,400	66,022	13,010	2,426,390	2,647,274	55,994,468	-									55,994,468	
Intangible assets	157,345	20,776,067	-	8,102	81,043	-	9,504,174	470,441	30,997,172	5,345,114									36,342,286	
Deferred tax assets	-	8,007,506	-	-	-	4,958	-	178,257	8,190,721	-									8,190,721	
Other assets	13,219,384	431,156,094	1,639,369	3,411,889	306,849	11,387	2,426,147	4,501,666	456,672,785	(10,604,069)									446,068,716	
	369,756,251	6,897,516,326	4,412,970	16,212,310	2,328,687	1,853,814	20,974,536	109,877,227	7,422,932,121	(368,766,202)									7,054,165,919	
Financed by:																				
Trading liabilities	-	-	-	-	-	-	-	-	-	-									-	
Derivative liabilities held for risk management	-	2,608,146	-	-	-	-	-	-	2,608,146	-									2,608,146	
Deposits from banks	-	834,893,228	-	-	-	-	-	-	834,893,228	-									834,893,228	
Deposits from customers	-	4,332,755,666	-	-	304,952	-	-	-	4,333,060,618	(36,574,769)									4,296,485,849	
Borrowings	5,320,125	272,043,005	-	-	-	-	-	83,114,050	360,477,180	(615,153)									359,862,027	
On-lending facilities	-	204,803,631	-	-	-	-	-	-	204,803,631	-									204,803,631	
Debt securities issued	-	211,467,949	-	-	-	-	-	-	211,467,949	(12,392,000)									199,075,949	
Retirement benefit obligations	-	17,459	-	-	-	-	-	35,043	52,502	-									52,502	
Current income tax liabilities	5,382,217	24,719,917	526,892	1,408,418	59,957	106,511	1,266,514	4,757,405	38,227,831	-									38,227,831	
Deferred tax liabilities	4,361,472	-	10,277	234,901	4,398	-	131,227	-	4,742,275	-									4,742,275	
Provision	-	12,955,238	-	-	67,008	-	-	-	13,022,246	-									13,022,246	
Other liabilities	3,760,605	385,474,007	1,860,772	8,504,733	1,675,929	94,856	6,850,823	8,563,624	416,785,349	(5,374,145)									411,411,204	
Share capital	19,802,711	7,000,000	500,000	943,577	50,000,000,000	1,380,661	500,000	500,000	31,176,949	(11,374,239)									19,802,710	
Share premium	246,431,292	236,786,924	-	1,057,250	170,000	-	4,177,966	-	488,623,432	(242,192,140)									246,431,292	
Additional Tier 1 (At1)	-	-	-	-	-	-	-	-	-	-									-	
Capital issued	46,686,000	46,686,000	-	-	-	-	-	-	93,372,000	(46,686,000)									46,686,000	
Retained earnings	37,731,205	170,294,544	1,515,029	3,249,574	301,395	201,395	5,522,208	8,062,257	226,877,607	(38,439,924)									188,437,683	
Other reserves	280,624	155,010,612	-	813,857	-	146,100	1,645,137	4,844,848	162,741,178	24,071,540									186,812,718	
Non-controlling interest	-	-	-	-	-	-	-	-	-	810,628									810,628	
	369,756,251	6,897,516,326	4,412,970	16,212,310	2,328,687	1,853,814	20,974,536	109,877,227	7,422,932,121	(368,766,203)									7,054,165,919	
Acceptances and guarantees	-	709,273,598	-	-	-	-	-	-	709,273,598	-									709,273,598	

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(e) Transactions with key management personnel

Key management personnel compensation for the period comprises;

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Key management personnel compensation for the year comprised;				
Short-term employee benefits	1,636,707	960,767	1,236,371	634,025
Contributions to defined contribution plans	18,908	20,678	18,908	10,339
	1,655,615	981,445	1,255,279	644,364
Loans and advances				
At 1 January	3,141,881	2,942,128	-	-
Granted during the year	49,674,838	395,500	-	-
Repayment during the year	752,899	(195,747)	-	-
Balance at the end	53,569,618	3,141,881	-	-
Interest earned	13,093	13,093	-	-

In addition to their salaries, the Group also provides non-cash benefits to directors and executive officers, and contributes to a post-employment defined contribution plan on their behalf. Loans to key management personnel include mortgage loans and other personal loans which are given under terms that are no more favorable than those given to other staff. Mortgage loans amounting to N866.32million (31 December 2024: N269.17million) are secured by the underlying assets. All personal loans are unsecured. The mortgage and secured loans granted are secured over property of the respective borrowers. Other balances are not secured and no guarantees have been obtained.

As at 31 December 2025, the balances with key management personnel are allocated to stage 1 of the ECL model and have a loss allowance of N19.07million (31 December 2024: N19.07million).

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(f) Loans and advances outstanding:

Included in loans and advances is an amount of N48.08billion (31 December 2024: N806.39million) representing credit facilities to companies in which certain Directors have interests and key management personnel. The balances as at 31 December 2025 and 31 December 2024 were as follows:

In thousands of Naira

Name of company / Individual	Relationship	Name of Directors related to the companies	Facility type	31 DEC 2025	31 DEC 2024	Status	Security Status
Professor Ashiru Oluwatoyin	Directors-Shareholders	Professor Ashiru Oluwatoyin	Term loan	-	46	Performing	Perfected
Balogun Babajide Oludolapo	Directors-Shareholders	Balogun Babajide Oludolapo	Term loan	49,774	72,882	Performing	Perfected
Crestmont Limited	Directors-Shareholders	Professor Ashiru Oluwatoyin	Overdraft	86,087	87,801	Performing	Perfected
Olatunde International Limited	Directors-Shareholders	Olatunde International Limited	Term loan	46,414,027	-	Performing	Perfected
Outstanding loans of key management personnel	Directors / Principal officers	Directors / Principal officers	Term loan	1,525,923	654,661	Performing	Perfected
				48,075,811	806,390		

(g) Deposits outstanding

Included in the deposit is an amount of N1.18billion (31 December 2024: N58.20billion) representing deposits from companies in which certain Directors have interests. The balances as at 31 December 2025 and 31 December 2024 were as follows:

In thousands of Naira

Name of company/Individual	Relationship	Type of deposit	31 DEC 2025	31 DEC 2024
ATSC International Limited	Shareholder	Current Account	1,357	2,141
Chapel Hill Advisory Partners	Shareholder	Current Account	3,253	3,616
Chapel Hill Advisory Partners	Shareholder	Time Deposit	-	39,218
Dynamic Industries Limited	Directors-Shareholders	Current Account	7,684	200,807
Dynamic Industries Limited	Directors-Shareholders	Time Deposit	287,251	560,251.00
Gulvaris Capital Partners Limited	Directors-Shareholders	Current Account	3,983	10,407
Helios Investment Partners	Directors-Shareholders	Current Account	1,510	1,692
Lafarge Cement Wapco Nig Plc	Directors-Shareholders	Current Account	15,790	21,202
Lana Securities Limited	Shareholder	Current Account	91	85
Poly Products Nigeria Limited	Directors-Shareholders	Current Account	47	46
Primrose Development Company Limited	Shareholder	Current Account	75,350	8,814
Primrose Properties Investment Limited	Shareholder	Current Account	244,213	577,779
Primrose Properties Investment Limited	Shareholder	Time Deposit	6	50,225
S&B City Printers Limited	Directors-Shareholders	Current Account	84,141	181,798
S&B City Printers Limited	Directors-Shareholders	Time Deposit	366,362	217,816
First Concept Properties Ltd	Directors-Shareholders	Current Account	53,140	58,205
Tricontinental Oil Services Limited	Directors-Shareholders	Current Account	175	193
Crestmont Limited	Directors-Shareholders	Current Account	37,422	49
			1,181,775	1,934,344

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

46 Employees and Directors

Employees

	GROUP		COMPANY	
	31 DEC 2025 Number	31 DEC 2024 Number	31 DEC 2025 Number	31 DEC 2024 Number
(a) The average number of persons employed during the year by category:				
Executive directors	17	15	3	3
Management	600	553	6	4
Non-management	4,315	3,228	24	18
	4,932	3,796	33	25

(b) Compensation for the above persons (excluding executive directors):

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Wages and salaries	70,601,691	58,535,271	1,264,985	522,623
Contributions to defined contribution plans	1,634,037	1,356,850	13,974	14,709
Non-payroll staff cost	34,927,371	19,388,782	1,256,935	922,184
	107,163,099	79,280,903	2,535,894	1,459,516

(c) The number of employees of the Group, including executive directors, who received emoluments in the following ranges were:

	GROUP		COMPANY	
	31 DEC 2025 Number	31 DEC 2024 Number	31 DEC 2025 Number	31 DEC 2024 Number
Less than N1,800,000.00	11	10	-	-
N1,800,001 - N2,500,000	92	92	-	-
N2,500,001 - N3,500,000	842	655	-	-
N3,500,001 - N4,500,000	589	579	-	-
N4,500,001 - N5,500,000	361	588	3	2
N5,500,001 and above	3,037	1,872	30	23
	4,932	3,796	33	25

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

(d) Diversity in employment

- i) A total of 2,226 women were in the employment of the Group during the year ended 31 December 2025 (31 December 2024: 1,597), which represents 45% of the total workforce (31 December 2024: 42%).
- ii) A total of 20 women were in the top management position as at the year ended 31 December 2025 (31 December 2024: 19), which represents 33% of the top management workforce in this position (31 December 2024: 27%). There were 14 women on the Board of Directors for the year ended 31 December 2025 (31 December 2024: 19)
- iii) The analysis by grade is as shown below:
- iv) The Group is committed to maintaining a positive work environment and to conducting business in a positive, professional manner and will ensure equal employment opportunity.

GROUP

Employees analysis	31 DEC 2025			31 DEC 2024		
	Gender	Number	%	Gender	Number	%
	Male	2,706	55%	Male	2,199	58%
	Female	2,226	45%	Female	1,597	42%
	Total	4,932	100%	Total	3,796	100%

COMPANY

Employees analysis	31 DEC 2025			31 DEC 2024		
	Gender	Number	%	Gender	Number	%
	Male	19	58%	Male	16	64%
	Female	14	42%	Female	9	36%
	Total	33	100%	Total	25	100%

GROUP

GRADE LEVEL	31 DEC 2025			31 DEC 2024		
	Male	Female	Total	Male	Female	Total
Assistant General Manager (AGM)	34	10	44	39	12	51
Deputy General Manager (DGM)	22	7	29	21	2	23
General Manager (GM)	10	1	11	9	3	12
Total	66	18	84	69	17	86
Executive Director (ED)	6	2	8	10	1	11
Group Managing Director (GMD)	1	-	1	1	-	1
Managing Directors - Subsidiaries	6	2	8	3	1	4
Non - Executive Directors	15	10	25	27	17	44
Total	28	14	42	41	19	60

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

COMPANY

GRADE LEVEL	31 DEC 2025			31 DEC 2024		
	Male	Female	Total	Male	Female	Total
Assistant General Manager (AGM)	1	-	1	1	-	1
Deputy General Manager (DGM)	1	-	1	1	-	1
General Manager (GM)	-	1	1	-	-	-
Total	2	1	3	2	-	2
Executive Director (ED)	2	-	2	2	-	2
Group Managing Director (GMD)	1	-	1	1	-	1
Non - Executive Directors	4	3	7	4	3	7
Total	7	3	10	7	3	10

(e) Directors

The remuneration paid to the directors of the Group (excluding pension and certain allowances) was:

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
Fees	362,257	331,457	170,000	142,200
Sitting allowances	315,845	197,245	113,588	65,798
Executive compensation	1,636,707	960,767	1,236,371	634,025
	2,314,809	1,489,469	1,519,959	842,023
Directors' other expenses	3,439,914	2,016,583	1,402,457	143,041
	5,754,723	3,506,052	2,922,416	985,064

<i>In thousands of Naira</i>	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
The Directors' remuneration shown above includes:				
The Chairman	84,000	84,000	84,000	84,000
Highest paid director	447,947	329,492	447,947	329,492

The number of directors who received fees and other emoluments (excluding pension contributions and reimbursable expenses) in the following ranges were:

	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
	Number	Number	Number	Number
N10,000,000 and below	-	-	-	-
N10,000,001 and above	42	60	10	10
	42	60	10	10

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

In thousands of Naira	GROUP		COMPANY	
	31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
47 Cash and cash equivalents				
For the purposes of the statement of cash flow, cash and cash equivalents include;				
Cash	28,287,313	33,636,696	-	-
Current balances within Nigeria	301,269	643,838	3,014,998	14,371,980
Current balances outside Nigeria	1,173,824,248	733,807,053	-	-
Placements with local banks	79,349,373	7,259,998	-	-
Placements with foreign banks	736,551	-	-	-
Unrestricted balances with Central banks	16,589,816	20,057,451	-	-
	1,299,088,570	795,405,036	3,014,998	14,371,980

48 Compliance With Banking Regulations

During the year ended 31 December 2025, the Banking subsidiary contravened the following section of the provision of the Banks and Other Financial Institutions Act and relevant CBN circulars and was penalised as follows:

Section	Nature	No. of times	Penalties (N'000)
Contravention of section 29 (6) of Bank and other financial institutions Act 2020	AML / CFT /CPF Risk-based Examination report for the period covering 1 May 2023 to 30 April 2024	1	75,000
Contravention of CBN Circular referenced BSD/DIR/GEN/LAB/10/009	Risk Asset Examination report the period January 1, 2023 to December 31, 2023	1	2,000
Contravention of Regulation 35 (4) of the AML/CFT/CPF Regulation, 34 (4) (c) of the CBN CDD Regulation 2023	AML / CFT /CPF Risk-based Examination report for the period covering 1 May 2023 to 30 April 2024	1	172,000
Contravention of Regulation 37 (2) of the CBN AML/CFT/CPF Regulation 2022	AML / CFT /CPF Risk-based Examination report for the period covering 1 May 2023 to 30 April 2024	1	161,000
Contravention of Regulation 8 (h) of the CBN AML/CFT/CPF Regulation 2022	AML / CFT /CPF Risk-based Examination report for the period covering 1 May 2023 to 30 April 2024	1	75,000
Contravention of section 50 of BOFIA 2020	AML / CFT /CPF Risk-based Examination report for the period covering 1 May 2023 to 30 April 2024	1	2,000

During the year ended 31 December 2024, other subsidiaries of the Group paid penalties as detailed below:

Section	Nature	No. of times	Penalties (N'000)
FCMB Asset Management Limited	Late registration of the Company's discretionary and non- discretionary portfolios with the Securities and Exchange Commission.	1	3,190

The penalties totaling N490million were paid during the year (31 December 2024: N136.65million).

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(v)					
Acquisition of investment securities and proceeds from sale and redemption of investment securities					
Balance at start of the year	24	1,189,410,706	794,746,379	68,603,349	63,922,161
Non cash related adjustments		(139,498,877)	26,143,050	3,347,842	2,317,485
Add: Acquisition of investment securities during the year		1,148,373,730	503,583,086	13,206,214	2,363,703
Less: Proceeds from sale and redemption of investment securities		(162,633,662)	(135,061,809)	-	-
Balance at end of the year	24	2,035,651,897	1,189,410,706	85,157,405	68,603,349
(vi)					
Effect of exchange rate fluctuations on cash and cash equivalents held					
Balance at end of the year on net translated foreign balances at closing exchange rates		1,183,343,209	804,338,839	1,639,308	118,918
Movement during the year at average exchange rates		(455,256,680)	88,488,877	(1,613,201)	(2,324,322)
Balance at start of the year on net translated foreign balances at opening exchange rates		(804,338,839)	480,502,764	(118,918)	(2,746,864)
		(76,252,309)	235,347,198	(92,812)	541,460
(vii)					
Net decrease in other liabilities					
At 31 December	36	509,241,955	411,411,204	21,311,258	3,760,605
Total amounts remitted under retirement benefit obligations	35	(3,659,005)	(2,550,679)	(73,985)	(45,086)
Interest paid on lease liability		(367,182)	(24,656)	-	-
Non cash related adjustments		62,002,193	35,084,544	2,770,942	1,495,009
Non cash related adjustments on lease liability		(129,981)	(380,856)	-	-
Adjustment for financing related liability		(10,973,680)	-	(10,973,680)	-
At 1 January	36	(411,411,204)	(245,099,089)	(3,760,605)	(5,284,369)
Net decrease in other liabilities		144,703,097	198,440,468	9,273,930	(73,841)
(viii)					
Net increase /(decrease) in provision					
Opening balance for the year	37	13,022,246	10,896,527	-	-
Provisions made during the year	37	2,746,773	3,006,398	-	-
Amount utilised during the year		(3,413,433)	(4,485,426)	-	-
Effects of movement in exchange rates	37	(537,178)	3,604,747	-	-
Closing balance for the year		11,818,408	13,022,246	-	-
(viii)					
Proceeds from sale of property and equipment					
Gain on sale of property and equipment	14(a)	885,249	2,409,966	31	517
Cost eliminated on disposal during the year	31	557,377	607,789	-	53,285
Accumulated depreciation and impairment losses - eliminated on Disposal	31	(415,588)	(713,632)	(2,237)	(53,272)
Proceeds from sale of property and equipment		1,027,038	2,304,123	(2,206)	530
(ix)					
Net interest income					
Interest income	8	1,005,329,106	621,803,795	8,151,804	8,857,206
Interest expense	9	(499,422,106)	(396,503,592)	(1,265,968)	(928,052)
		505,907,000	225,300,203	6,885,836	7,929,154

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(x) Net increase in restricted reserve deposits					
Opening balance for the year	28	1,441,465,091	799,640,417	-	-
Closing balance for the year	28	(1,198,149,879)	(1,441,465,091)	-	-
		243,315,212	(641,824,674)	-	-
(xi) Net increase in derivative assets held for risk management					
Opening balance for the year	23(a)	1,451,932	1,520,716	-	-
Fair value gain on financial assets adjustments		-	-	-	-
Closing balance for the year	23(a)	(4,276,814)	(1,451,932)	-	-
		(2,824,882)	68,784	-	-
(xii) Net (increase)/decrease in non-pledged trading assets					
Opening balance for the year	22(a)	319,109,270	170,302,701	-	-
Fair value gain on financial assets adjustments		(22,988,673)	(33,557,126)	-	-
Closing balance for the year	22(a)	(439,720,734)	(319,109,270)	-	-
		(143,600,137)	(182,363,695)	-	-
(xiii) Net increase in loans and advances to customers					
Opening balance for the year	26	2,485,078,216	1,929,584,201	-	-
Non cash related adjustments		112,259,113	(49,204,032)	-	-
Closing balance for the year	26	(2,475,470,182)	(2,485,078,216)	-	-
		121,867,147	(604,698,047)	-	-
(xiv) Net decrease in assets pledged as collateral					
Opening balance for the year	25	401,703,741	86,714,340	-	-
Non cash related adjustments		(29,258,729)	(41,240,323)	-	-
Closing balance for the year	25	(104,900,576)	(401,703,741)	-	-
		267,544,436	(356,229,724)	-	-
(xv) Net decrease/(increase) in other assets					
Opening balance for the year	27	446,068,716	56,885,173	13,219,384	6,285,010
Non cash related adjustments		27,366,560	26,198,471	209,339	117,979
Closing balance for the year	27	(68,575,267)	(123,037,554)	(26,181,421)	(13,219,384)
		404,860,009	(39,953,910)	(12,752,698)	(6,816,395)
(xvi) Net decrease in trading liabilities					
Closing balance for the year	22(b)	-	-	-	-
Fair value gain on financial assets adjustments		-	-	-	-
Opening balance for the year	22(b)	-	-	-	-
		-	-	-	-
(xvii) Net increase/(decrease) in deposits from banks					
Closing balance for the year	33	1,010,355,965	834,893,228	-	-
Opening balance for the year	33	(834,893,228)	(280,478,119)	-	-
		175,462,737	554,415,109	-	-

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		31 DEC 2025	31 DEC 2024	31 DEC 2025	31 DEC 2024
(xviii) Net increase in deposits from customers					
Closing balance for the year	34	4,418,520,958	4,296,485,849	-	-
Opening balance for the year	34	(4,296,485,849)	(3,082,971,012)	-	-
		122,035,109	1,213,514,837	-	-
(xix) Net (decrease)/increase in on-lending facilities					
Closing balance for the year	38	318,192,503	204,803,631	-	-
Opening balance for the year	38	(204,803,631)	(57,425,081)	-	-
		113,388,872	147,378,550	-	-
(xx) Net (decrease)/increase in derivative liabilities					
Closing balance for the year	23(b)	608,639	2,608,146	-	-
Fair value gain on financial liabilities adjustments		-	-	-	-
Opening balance for the year	23(b)	(2,608,146)	(998,332)	-	-
		(1,999,507)	1,609,814	-	-
(xxi) Net increase in debt securities issued					
Opening balance for the year	39	199,075,949	133,142,336	-	-
Additions during the year		66,242,097	-	-	-
Repayments during the year		(154,207,199)	-	-	-
Accrued coupon interest for the year		9,020,229	8,910,560	-	-
Coupon interest paid during the year		(1,139,967)	(8,279,934)	-	-
Amortised cost on financial liabilities adjustments		-	649,904	-	-
Translation difference		(9,799,953)	64,653,083	-	-
Closing balance for the year	39	121,583,156	199,075,949	-	-
(xxii) Dividend received					
Dividend receivable as at beginning of year		-	-	9,608,76	4,248,142
Dividend accrued within the year		-	-	8,198,45	17,282,243
Dividend received within the year		-	-	(3,373,472)	(11,921,621)
Dividend receivable as at end of year		-	-	14,433,748	9,608,764
(xxiii) Investment in subsidiaries					
Opening balance for the year		-	-	273,168,431	132,228,197
Transfer from associate		-	-	-	-
Additional investment for the year		-	-	22,726,234	140,940,234
Non cash related adjustments		-	-	-	-
Closing balance for the year		-	-	295,894,665	273,168,431
(xxiv) Deposit received on divestment to NCI					
Opening balance for the year		-	-	-	-
Amount received on divestment - NCI (see note 36(e))		10,973,680	-	10,973,680	-
Non cash related adjustments		-	-	-	-
Closing balance for the year		10,973,680	-	10,973,680	-

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

51 Financial Reporting Council's Certification Requirement for Professionals Engaged in Financial Reporting Process

In line with Financial Reporting Council of Nigeria certification requirement for professionals engaged in the financial reporting process: external auditors, officers of reporting entities and other professional providing assurance to reporting entities, below is a list of professionals engaged in the financial reporting process relating to financial statements during the year.

S/N	NAME OF PROFESSIONAL	FRC_NUMBER	ROLE
1	KRESTON PEDABO PROFESSIONAL SERVICES	FRC/2013/ICAN/00000000908	Tax Consultant
2	I.R. AKINTOYE & CO.	FRC/2014/ICAN/00000007015	Tax Consultant
3	ADEGBONMIRE AND ASSOCIATES	FRC/2013/00000000001226	Property & Valuation Experts
4	AKUJURU ASSOCIATES	FRC/2014/000000004631	Property & Valuation Experts
5	ALAGBE & PARTNERS	FRC/2013/NIESV/00000004334	Property & Valuation Experts
6	ARIGBEDE & CO.	FRC/2014/000000004634	Property & Valuation Experts
7	AUSTIN CHINEGWU & CO.	FRC/2015/NIESV/00000012501	Property & Valuation Experts
8	BAMIGBOLA CONSULTING	FRC/2013/NIESV/00000000897	Property & Valuation Experts
9	BAYO ADEYEMO & ASSOCIATES	FRC/2013/NIESV/00000005193	Property & Valuation Experts
10	BAYO OYEDEJI & CO.	FRC/2013/NIESV/00000003983	Property & Valuation Experts
11	BEN EBOREIME & CO.	FRC/2013/NIESV/00000003232	Property & Valuation Experts
12	BIODUN OLAPADE & CO.	FRC/2013/NIESV/00000004303	Property & Valuation Experts
13	BOLA OLAWUYI CONSULTING	FRC/2014/NIESV/00000007657	Property & Valuation Experts
14	CHIKE MONEME & PARTNERS	FRC/2014/00000005796	Property & Valuation Experts
15	CHUMA EZEALIGO ASSOCIATES	FRC/2013/NIESV/00000004822	Property & Valuation Experts
16	DIPO FAKOREDE & CO.	FRC/2013/NIESV/00000000324	Property & Valuation Experts
17	DIYA FATIMILEHIN & CO.	FRC/2013/NIESV/00000000754; FRC/2013/NIESV/00000002773	Property & Valuation Experts
18	GAB OKONKWO & CO.	FRC/2013/NIESV/00000002220	Property & Valuation Experts
19	IMO EKANEM & CO.	FRC/2012/NIESV/00000000114	Property & Valuation Experts
20	J OKARO AND ASSOCIATES	FRC/2015/NIESV/00000002947	Property & Valuation Experts
21	JOE NWORAH & CO.	FRC/2015/NIESV/00000010760	Property & Valuation Experts
22	JOHN ZEDOMI & ASSOCIATES	FRC/2013/NIESV/00000002415	Property & Valuation Experts
23	JOSEPH ADEGBILE AND CO.	FRC/2013/NIESV/00000004005	Property & Valuation Experts
24	KNIGHT FRANK	FRC/2013/0000000000584	Property & Valuation Experts
25	LANSAR AGHAJI & CO.	FRC/2015/00000006074	Property & Valuation Experts
26	LOLA ADEYEMO & CO.	FRC/2015/NIESV/00000010805	Property & Valuation Experts
27	MGBEODURU SAM & CO.	FRC/2013/NIESV/00000003326	Property & Valuation Experts
28	NWOKOMA NWANKWO & COMPANY	FRC/2012/0000000000200	Property & Valuation Experts
29	O.S. BORONI ASSOCIATES	FRC/2013/NIESV/00000003393	Property & Valuation Experts
30	ODUDU & CO.	FRC/2012/0000000000124; FRC/2012/NIESV/00000000198	Property & Valuation Experts
31	OKEY OGBONNA & CO.	FRC/2013/NIESV/00000000964	Property & Valuation Experts
32	PAUL OSAJI & CO.	FRC/2013/00000001098	Property & Valuation Experts
33	PHIL NWACHUKWU & ASSOCIATES	FRC/2014/NIESV/00000009853	Property & Valuation Experts
34	RAWLINGS EHUMADU AND CO.	FRC/2013/NIESV/00000002351	Property & Valuation Experts
35	SAM NWOSU & CO.	FRC/2013/NIESV/00000002538	Property & Valuation Experts
36	UNIGWE & CO.	FRC/2012/0000000000130	Property & Valuation Experts
37	VIC ONWUMERE & CO.	FRC/2015/NIESV/00000010974	Property & Valuation Experts
38	VICTOR OKPEVA & CO.	FRC/2013/NIESV/00000003029	Property & Valuation Experts

Notes to the Consolidated and Separate Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2025

S/N	NAME OF PROFESSIONAL	FRC_NUMBER	ROLE
39	YEMI OLUGBILE & CO.	FRC/2013/0000000001227	Property & Valuation Experts
40	YINKA KAYODE & CO.	FRC/2013/0000000001197	Property & Valuation Experts
41	A. C. OTEGBULU & PARTNERS	FRC/NIESV/00000001582	Property & Valuation Experts
42	BIODUN ADEGOKE & CO	FRC/2015/NIESV/00000010747	Property & Valuation Experts
43	BOLA ONABADEJO & CO	FRC/2013/0000000001601; FRC/2015/NIESV/00000012433	Property & Valuation Experts
44	CHIKA EGWUATU & PARTNERS	FRC/2013/NIESV/00000000862; FRC/2013/NIESV/00000000857"	Property & Valuation Experts
45	DIYA FATIMILEHIN & CO.	FRC/2013/NIESV/00000000754; FRC/2013/NIESV/00000002773	Property & Valuation Experts
46	EMEKA OKORONKWO & ASSOCIATES	FRC/2013/NIESV/00000002548	Property & Valuation Experts
47	EMMA OFOEGBU AND PARTNERS	FRC/2014/NIESV/00000007527	Property & Valuation Experts
48	GBOYEGA AKERELE & PARTNERS	FRC/2012/00000000117	Property & Valuation Experts
49	GODWIN KALU & CO	FRC/2012/NIESV/00000000470	Property & Valuation Experts
50	JAJAYI PATUNOLA & CO.	FRC/2013/000000000679	Property & Valuation Experts
51	JUDE ONUOHA & CO	FRC/2012/NIESV/00000000477	Property & Valuation Experts
52	LEKAN DUNMOYE & PARTNERS	FRC/2013/0000000001142	Property & Valuation Experts
53	ODUDU & CO.	FRC/2012/000000000124; FRC/2012/NIESV/00000000198	Property & Valuation Experts
54	OMOBAYO ADEGOKE AND PARTNERS	FRC/2014/00000005787	Property & Valuation Experts
55	OSAS & OSEJI ESTATE SURVEYORS & VALUERS	FRC/2012/0000000000522	Property & Valuation Experts
56	REMI OLOFA & CO.	FRC/2013/0000000001631	Property & Valuation Experts
57	SOLA BADMUS & CO	FRC/2012/NIESV/00000000256	Property & Valuation Experts
58	TOKUN & ASSOCIATES	FRC/2013/0000000001353	Property & Valuation Experts
59	YAYOK ASSOCIATES	FRN/2013/NIESV/0000000000834	Property & Valuation Experts

52 Provision of non-audit services

Auditor's remuneration represents fees for the year audit of the Group and the Company for the year ended 31 December 2025. The Company also paid the auditors' professional fees for non-audit services. These services, in the Group's opinion, did not impair the independence and objectivity of the external auditor. Non-audit services provided during the year ended 31 December 2025 are stated below:

	Description of non-audit services	Name of signer	FRC Number	Name of Firm	Fee paid (N'000)
(i)	Nigeria Deposit Insurance Corporation (NDIC) certification	Hassan Lawal	FRC/2013/PRO/ICAN/ 001/000000000849	Deloitte & Touché Nigeria	10,000
(ii)	Corporate governance and risk management review	Ibukun Beecroft	FRC/2020/PRO/ 00000020765	Deloitte & Touché Nigeria	7,525
(iii)	Independent review of the risk management function	Ibukun Beecroft	FRC/2020/PRO/ 00000020765	Deloitte & Touché Nigeria	7,525
					25,050

The Company's auditor did not engage in any non-audit service for any of the Company's subsidiaries other than stated above

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Other National Disclosures

OTHER NATIONAL DISCLOSURES

Value Added Statement

For the year ended <i>In thousands of Naira</i>	GROUP				COMPANY			
	31 DEC 2025	%	31 DEC 2024	%	31 DEC 2025	%	31 DEC 2024	%
Gross Income	1,132,962,516		794,206,671		41,718,740		43,507,278	
Interest Expense & Charges								
- Local	(458,423,913)		(351,069,567)		(1,310,678)		(940,098)	
- Foreign	(62,239,723)		(60,944,616)		-		-	
	612,298,880		382,192,488		40,408,062		42,567,180	
Impairment Losses	(81,706,899)		(41,240,464)		(213,005)		(141,001)	
	530,591,981		340,952,024		40,195,057		42,426,179	
Bought-in material and services								
- Local	(168,037,566)		(103,192,464)		(5,581,208)		(2,719,744)	
- Foreign	(35,955,430)		(32,685,357)		-		-	
Value Added	326,598,985	100	205,074,203	100	34,613,849	100	39,706,435	100
Distribution								
Employees								
- Wages, salaries, pensions and other employee benefits	107,182,007	33	79,301,581	39	2,554,802	7	1,469,855	4
Government								
- Taxation	24,829,463	8	38,557,702	19	(1,818,595)	(5)	7,772,543	20
The Future								
- Replacement of property and equipment / intangible assets	17,316,582	5	13,877,452	7	78,219	0	61,350	0
- Dividend paid	21,782,982	7	9,901,355	5	21,782,982	63	9,901,355	25
- Additional Tier 1 (AT1) Capital coupon paid	7,466,366	2	7,409,672	4	7,466,366	22	7,409,672	19
- Profit for the year (including statutory and regulatory risk reserves)	147,765,166	45	55,823,286	27	4,550,075	13	13,091,660	33
- Non-controlling interest	256,419	0	203,155	0	-	-	-	-
Value Added	326,598,985	100	205,074,203	100	34,613,849	100	39,706,435	100

OTHER NATIONAL DISCLOSURES

Five-Year Financial Summary

GROUP

<i>In thousands of Naira</i>	31 DEC 2025	31 DEC 2024	31 DEC 2023	31 DEC 2022	31 DEC 2021
Assets Employed					
Cash and cash equivalents	1,298,920,721	795,387,019	579,167,508	247,485,623	362,700,083
Non-pledged trading assets	439,720,734	319,109,270	170,302,701	160,730,775	41,538,274
Derivative assets held for risk management	4,276,814	1,451,932	1,520,716	853,709	-
Investment securities	2,035,651,897	1,189,410,706	794,746,379	524,573,025	372,548,333
Assets pledged as collateral	104,900,576	401,703,741	86,714,340	79,009,207	115,456,683
Loans and advances to customers	2,365,686,373	2,357,303,173	1,841,516,196	1,195,626,586	1,063,589,192
Other assets	68,575,267	446,068,716	56,885,173	192,385,077	127,410,850
Restricted reserve deposits	1,198,149,879	1,441,465,091	799,640,417	493,359,709	329,739,147
Investment in subsidiaries	-	-	-	-	-
Investment in associates	2,131,287	1,738,796	-	-	6,810,651
Property and equipment, and right of use assets	63,360,382	55,994,468	54,132,864	50,967,522	47,084,551
Intangible assets	40,264,565	36,342,286	31,264,790	29,637,593	17,155,970
Deferred tax assets	9,350,284	8,190,721	8,003,544	8,423,731	9,163,896
	7,630,988,779	7,054,165,919	4,423,894,628	2,983,052,557	2,493,197,630
Financed by					
Share capital	21,385,853	19,802,710	9,901,355	9,901,355	9,901,355
Additional Tier 1 (AT1) Capital issued	46,686,000	46,686,000	46,686,000	-	-
Share premium	267,574,383	246,431,292	115,392,414	115,392,414	115,392,414
Retained earnings	223,512,081	188,437,683	144,380,766	74,561,490	62,872,102
Other reserves	276,271,897	186,812,718	144,592,126	75,045,929	55,058,784
Non-controlling Interest	981,152	810,628	1,673,897	978,422	581,059
Trading liabilities	-	-	-	1,883,937	5,174,902
Derivative liabilities held for risk management	608,639	2,608,146	998,332	1,699,900	-
Deposits from banks	1,010,355,965	834,893,228	280,478,119	124,365,459	160,746,916
Deposits from customers	4,418,520,958	4,296,485,849	3,082,971,012	1,944,908,569	1,554,413,623
Retirement benefit obligations	112,623	52,502	123,631	23,384	14,855
Current income tax liabilities	36,960,723	38,227,831	11,296,167	7,180,286	5,449,065
Deferred tax liabilities	1,612,152	4,742,275	2,354,953	391,897	308,729
Other liabilities	509,241,955	411,411,204	245,099,089	196,902,171	199,465,224
Provision	11,818,408	13,022,246	10,896,527	7,514,884	6,747,270
On-lending facilities	318,192,503	204,803,631	57,425,081	249,191,651	157,873,774
Debt securities issued	121,583,156	199,075,949	133,142,336	84,745,841	78,493,492
Borrowings	365,570,331	359,862,027	136,482,823	88,364,968	80,704,066
	7,630,988,779	7,054,165,919	4,423,894,628	2,983,052,557	2,493,197,630
Acceptances and guarantees	830,087,641	709,273,598	417,462,096	310,795,223	281,178,633
PROFIT OR LOSS ACCOUNT					
	12months Dec 2025	12months Dec 2024	12months Dec 2023	12months Dec 2022	12months Dec 2021
Gross earnings	1,131,774,786	794,430,083	516,355,140	282,981,556	212,012,446
Profit before windfall tax, minimum tax and income tax	202,100,396	111,895,170	104,431,449	36,570,063	22,716,659
Windfall tax	(7,573,475)	(17,671,442)	-	-	-
Taxation (charge)/credit	(17,255,988)	(20,886,260)	(11,413,830)	(5,441,372)	(1,799,934)
Profit after tax	177,270,933	73,337,468	93,017,619	31,128,691	20,916,725
Transfer to reserves	177,270,933	73,337,468	93,017,619	31,128,691	20,916,725
Basic earnings per share	3.99	2.38	4.48	1.56	1.05
Diluted earnings per share	3.99	2.38	4.48	1.56	1.05

OTHER NATIONAL DISCLOSURES

Five-Year Financial Summary

COMPANY

<i>In thousands of Naira</i>	31 DEC 2025	31 DEC 2024	31 DEC 2023	31 DEC 2022	31 DEC 2021
Assets Employed					
Cash and cash equivalents	3,014,998	14,371,980	4,577,221	30,607	621,755
Investment securities	85,157,405	68,603,349	63,922,161	8,023,508	6,007,162
Other assets	26,181,421	13,219,384	6,285,010	6,353,476	7,849,591
Investment in subsidiaries	295,894,665	273,168,431	132,228,197	132,228,197	127,378,197
Property and equipment, and right of use assets	428,784	235,762	152,164	30,165	42,815
Intangible assets	149,160	157,345	181,887	12,094	-
	410,826,433	369,756,251	207,346,640	146,678,047	141,899,520
Financed By					
Share capital	21,385,853	19,802,710	9,901,355	9,901,355	9,901,355
Additional Tier 1 (AT1) Capital issued	46,686,000	46,686,000	46,686,000	-	-
Share premium	267,574,383	246,431,292	115,392,414	115,392,414	115,392,414
Retained earnings	42,282,179	37,731,206	24,920,169	12,352,706	9,049,060
Other reserves	280,624	280,624	-	-	-
Current income tax liabilities	4,526,751	5,382,217	410,283	72,584	50,926
Deferred tax liabilities	1,071,390	4,361,472	1,834,361	-	-
Other liabilities	21,311,258	3,760,605	5,284,369	8,102,130	7,505,765
Borrowings	5,708,894	5,320,125	2,917,689	856,858	-
	410,826,433	369,756,251	207,346,640	146,678,047	141,899,520
PROFIT OR LOSS ACCOUNT					
	12months Dec 2025	12months Dec 2024	12months Dec 2023	12months Dec 2022	12months Dec 2021
Gross earnings	41,718,740	43,507,278	24,300,090	8,965,995	6,461,307
Profit before windfall tax, minimum tax and income tax	31,980,828	38,175,230	21,355,337	7,288,386	5,108,311
Taxation (charge) / credit	1,818,595	(7,772,543)	(2,195,918)	(24,198)	(19,613)
Profit after tax	33,799,423	30,402,687	19,159,419	7,264,188	5,088,698
Transfer to reserves	33,799,423	30,402,687	19,159,419	7,264,188	5,088,698
Basic earnings per share	0.62	0.83	0.94	0.37	0.26
Diluted earnings per share	0.62	0.83	0.94	0.37	0.26



Shareholders Information

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 13th Annual General Meeting of FCMB Group Plc (the Company) will be held virtually on Tuesday, 30 June 2026 at 10.00am to transact the following:



ORDINARY BUSINESS:

1. To receive and consider the Report of the Directors and the Audited Financial Statements for the year ended 31 December 2025, the Auditors' Report thereon and the Audit Committee Report.
2. To declare a Dividend.
3. To elect and re-elect the following Directors:
 - i. To ratify the appointment of Mrs. Adepeju Adebajo as a Director of the Company, appointed by the Board since the last Annual General Meeting.
 - ii. To re-elect Mr. Ladi Jadesimi, the Director who is retiring by rotation.
4. To authorise the Directors to fix the remuneration of the Auditors of the Company.
5. To disclose the remuneration of Managers of the Company.
6. To elect members of the Audit Committee.

SPECIAL BUSINESS:

7. To consider and if though fit, pass the following as an ordinary resolution:

“That the remuneration of Non-Executive Directors for the year ending December 31, 2026 be and is hereby maintained at N280,000,000.00 (Two Hundred and Eighty Million Naira) only”.

Dated this 8th day of June, 2026

By Order of the Board

Mrs. Olufunmilayo Adedibu
Company Secretary
FRC/2014/PRO/NBA/002/00000005887

Notice of Annual General Meeting

NOTES:

Proxy

Only a member (shareholder) of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his/her stead. All valid instruments of proxy should be completed and deposited at the office of the Company's Registrars, Cardinal Stone Registrars Limited, 335/337 Herbert Macaulay Way, Sabo Yaba, Lagos; Or via email to: registrars@cardinalstone.com not later than 48 hours before the time fixed for the meeting. Payment of stamp duties for all instruments of proxy shall be at the company's expense.

Shareholders' Attendance at Meetings

A formal communication containing the necessary participation details for the meeting will be forwarded to shareholders registered email addresses by the Registrar. Shareholders are advised to ensure that their details are updated with the Registrar.

Virtual Meeting Link

Further to the signing into law of the Business Facilitation (Miscellaneous Provisions) Act, which allows public companies to hold meetings electronically, this AGM would be held virtually. The Virtual Meeting Link for the Annual General Meeting is <https://on.fcmb.com/AGM>.

Closure of Register

The Register of Members will be closed on 16 June 2026.

Live Streaming of the Annual General Meeting

The meeting will be live streamed online and on social media platforms, to enable shareholders and stakeholders to follow the proceedings.

Dividend Payment

If the dividend recommended by the Directors is approved by members at the Annual General Meeting, the dividend will be credited on Tuesday 30 June 2026 to duly mandated accounts of members so entitled, whose names appear in the register of members at the close of business on 15 June 2026.

E-Annual Report

The electronic version of the Annual Report is available at www.fcmbgroup.com. Shareholders who have provided their email addresses to the Registrars will receive the electronic version of the annual report via email.

Unclaimed Dividends

Shareholders are hereby informed that several dividends remain unclaimed or are yet to be presented for payment or returned to the Registrars for revalidation. A schedule of members who are yet to claim their dividends will be circulated to Shareholders along with the Annual Report and Financial Statements. Any Shareholder affected by this is advised to write or call at the office of the Company's Registrars, CardinalStone Registrars Limited, 335/337, Herbert Macaulay Way, Yaba, Lagos.

Audit Committee

In accordance with Section 404 (6) of the Companies and Allied Matters Act 2020, any shareholder may nominate a shareholder for appointment to the Audit Committee. Such nomination should be in writing and reach the Company Secretary not less than 21 days before the Annual General Meeting. The Companies and Allied Matters Act 2020 provides that all members of the Audit Committee shall be financially literate.

The Code of Corporate Governance issued by the Securities and Exchange Commission also stipulates that members of the Audit Committee should have basic financial literacy and should be able to read financial statements. Thus, a detailed curriculum vitae confirming the nominee's adequate qualification should be submitted with each nomination.

Rights of Shareholders to Ask Questions

Shareholders and other holders of the Company's securities reserve the right to ask questions not only at the meeting, but also in writing prior to the meeting, and such questions should be submitted to the Company on or before 23 June 2026.

By Order of the Board



Mrs. Olufunmilayo Adedibu

Company Secretary

FRC/2014/NBA/00000005887

Proxy Form & Resolutions

13th ANNUAL GENERAL MEETING

to be held on Tuesday 30 June 2026 at 10.00 am.

I/We being a member/members of FCMB Group Plc

hereby appoint

(PLEASE USE BLOCK CAPITALS)

or failing him, the Chairman of the Meeting as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of FCMB Group Plc, which will be held Virtually on Tuesday, 30 June 2026 at 10.00 am or at any adjournment thereof.

Dated this day of 2026.

Shareholder's Signature

NOTES:

1. A member (shareholder) entitled to attend and vote at the Annual General Meeting is allowed by law to vote by proxy and the above proxy form has been prepared to enable you to exercise your right to vote at the meeting.
2. Following the normal practice, the Chairman of the meeting has been entered on the form to ensure that someone will be at the meeting to act as your proxy but, if you wish, you may insert in the blank space (marked*) the name of any person whether a member of the company or not, who will attend the meeting and vote on your behalf.
3. Please sign and post the proxy form so as to reach The Registrar, Cardinal Stone Registrars Limited, 335/337 Herbert Macaulay Way, Sabo Yaba, Lagos, not later than 48 hours before the time appointed for the meeting and ensure that the proxy form is dated and signed.
4. If executed by a corporate body, the proxy form should be sealed with the Common Seal or under the hand of an officer or attorney duly authorised in that behalf.

www.fcmbgroup.com

Proxy Form & Resolutions

	RESOLUTIONS	FOR	AGAINST	ABSTAIN
1	To receive and consider the Report of the Directors and the Audited Financial Statements for the year ended 31 December 2025, the Auditor's Report thereon and the Audit Committee Report.			
2	To declare a Dividend.			
3	To elect and re-elect the following Directors:			
	i To ratify the appointment of Mrs. Adepeju Adebajo as a Director of the Company, appointed by the Board since the last Annual General Meeting of the Company.			
	ii To re-elect Mr. Ladi Jadesimi, the Director who is retiring by rotation.			
4.	To authorise the Directors to fix the remuneration of the Auditors of the Company.			
5.	To disclose the remuneration of managers of the Company.			
6	To elect members of the Audit Committee.			
7	To consider and if though fit, pass the following as an ordinary resolution: "That the remuneration of Non-Executive Directors for the year ending December 31, 2026 be and is hereby maintained at N280,000,000.00 (Two Hundred and Eighty Million Naira) only".			

Mandate for E-dividend Payment

PLEASE RETURN TO:

CardinalStone Registrars,
335/337 Herbert Macaulay Way, Sabo, Yaba, Lagos, Nigeria
P.O. Box 9117, Marina, Lagos, Nigeria.

It is our pleasure to inform you that the Securities and Exchange Commission (SEC) has directed that dividend(s) due to a shareholder should be paid by DIRECT CREDIT into the shareholder's mandated bank account. Consequently, we hereby request you provide the following information to enable us to process the direct payment of your dividend (when declared) into your bank account.

(PLEASE COMPLETE ALL SECTIONS IN CAPITAL LETTERS)

Shareholder's Account Number	Date of Birth (DD/MM/YYYY)
Surname/Company's Name	
Other Names (for Individual Shareholders)	
City/Town	State
Email Address	
Mobile (GSM) Phone	
Bank Name	
Account Name	
Branch Address	
Bank Account Number	
Bank Sort Code	

I/We hereby request that all dividend(s) due to me/our holding(s) in FCMB be paid by direct credit to my/our bank account given above.

Shareholder's Signature or thumbprint	Company Seal/Incorporation Number (for Corporate Shareholders)
Shareholder's Signature or thumbprint	Authorised Signature & Stamp of Bankers

Electronic Delivery Mandate Form

Dear Sir/Madam,

To enable you to receive your shareholder communications promptly, FCMB has introduced the electronic delivery of its Annual Report and Accounts, proxy forms and other statutory documents to shareholders.

With this service, instead of receiving a hard copy of our annual reports and other corporate documents, you can elect to receive a soft copy of the Annual Report, proxy form, etc., either as a link to a downloadable version of the report that will be sent to your email address or on a compact disc (CD), which will be posted to you.

Please complete this form to register your preference and return the completed form to: the Registrar, CardinalStones Registrars Limited 335/337 Herbert Macaulay Way, Sabo Yaba, Lagos or any of the Registrar's offices nationwide



Mrs. Olufunmilayo Adedibu
Company Secretary

Description of Service

By enrolling in the electronic delivery service, you have agreed to receive all future announcements/ shareholder communications, as stated below, by email. These communications can be made available to you either semi-annually or annually.

Annual reports, proxy forms, prospectuses and newsletters are examples of the shareholder communications that can be made available to you electronically. Enrolment to our electronic delivery service will be effective for all your holdings in FCMB Group Plc on an ongoing basis, unless you change or cancel your enrolment.

This initiative is in line with our determination to help protect and sustain our planet's environment and the consolidated SEC Rule 128 (6) of September 2011 which states that "A Registrar of a public company may dispatch Annual Reports and Notices of Meetings to shareholders by electronic means".

Name (surname first)

Signature

Date _____

www.fcmbgroup.com

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Ayoola House
244 Murtala Muhammed Way,
Yaba, Lagos,
Nigeria

Tel: +234 1 279 8800
Mobile: +234 (0) 8029418755

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