



BUILDING A SUSTAINABLE ECOSYSTEM

Investors & Analysts Presentation 9M 2022

FCMB GROUP PLC
WWW.FCMBGROUPPLC.COM



November 2022

AGENDA

1 *Introduction / Results Highlights & Strategic Updates*

2 *9M 2022 Results Overview*

3 *Digital Business Review*

4 *The Banking Group: Performance Review*

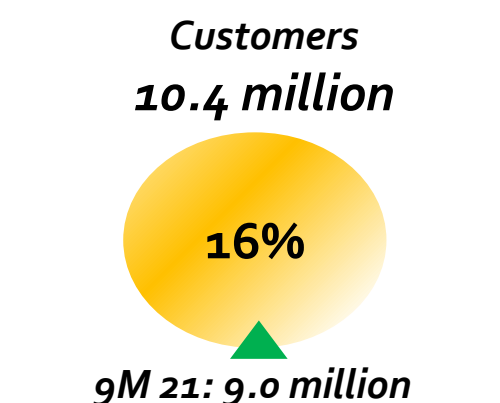
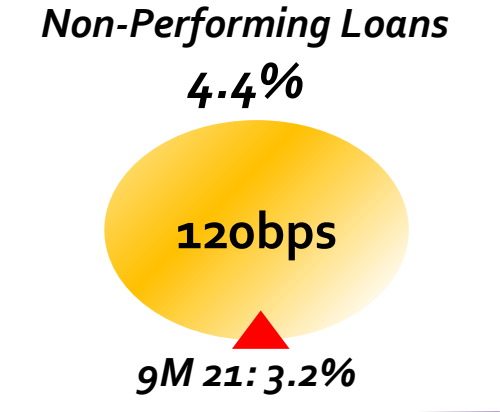
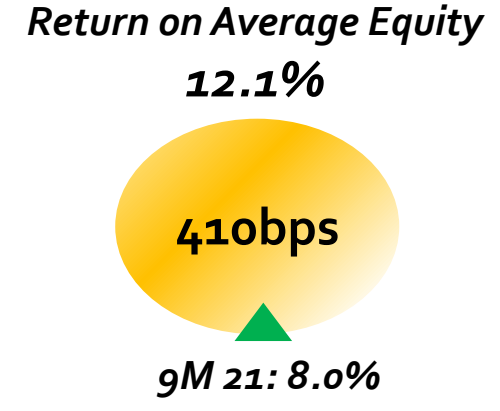
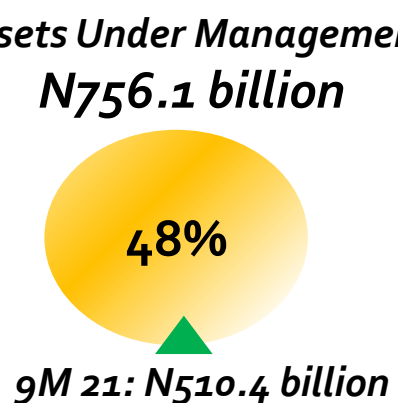
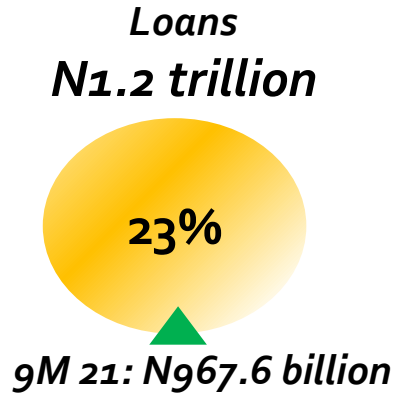
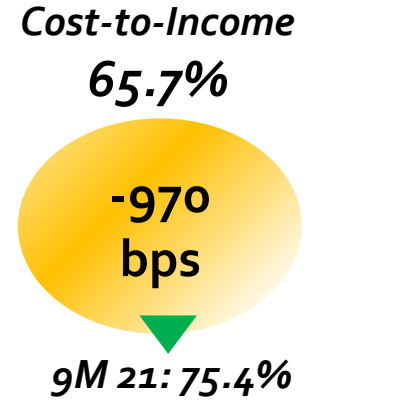
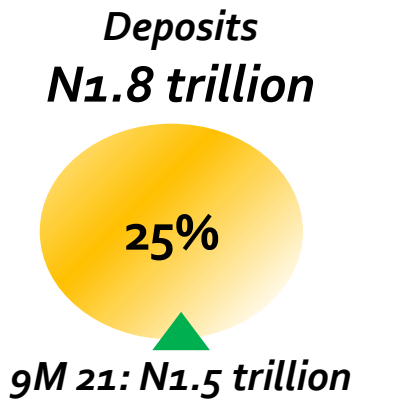
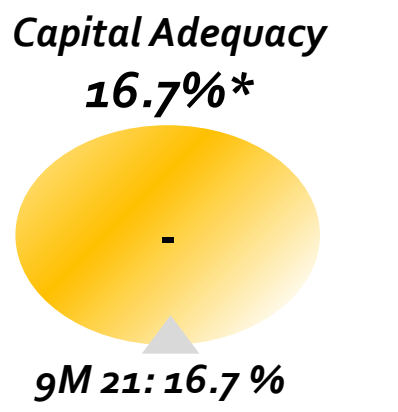
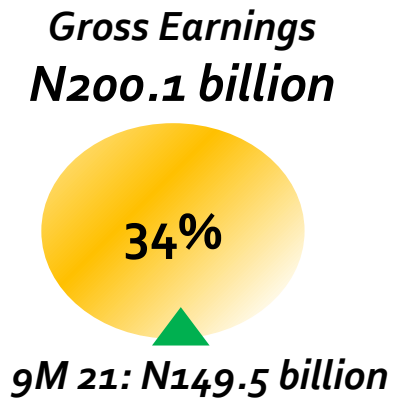
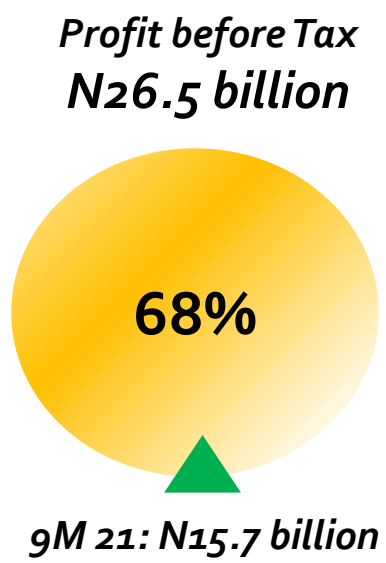
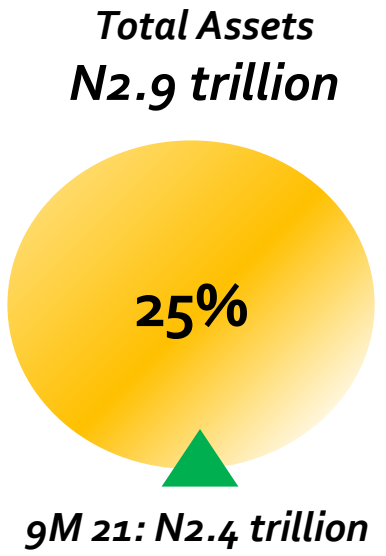
5 *Consumer Finance: Performance Review*

6 *Investment Banking: Performance Review*

7 *Investment Management: Performance Review*

8 *Outlook*

9M 2022 Results Highlights



*Includes September 2022 Bank's Audited Figures

Connecting people, capital and markets, to foster inclusive and sustainable growth of the communities we serve



9M 2022 Ecosystem Update

1a **Platforms:** Our 4 operational platforms are gaining traction and profit growth. (Banking 75%, Consumer Finance 31%, Investment Banking 221% and Investment Management 47%).

1b Technology Platforms

TP1: A Borderless Banking Platform focused on the African diaspora currently in private Beta. Move to public Beta is imminent.

TP2: Banking As A Service (BaaS). We are leveraging our technology and group licenses to enable technology enabled companies provide banking services (starting with virtual accounts, wallets, and payment APIs). Business has commenced , incubated within our Nigerian bank.

2 **Customers:** We acquired over 1.2million customers in 9M 2022 taking our customer base to 10.4 million customers as at 9M 2022.

3

Products

- I. Payment:** Transactions via our Mobile/USSD platforms grew by 29% to 250 million in 9M 2022 from the same period prior year.
- II. Lending:** Grew loan book by 23% YoY to N1.2 trillion with loans to Manufacturing, Agriculture and Individual sectors contributing the highest to loan book growth.
- III. Treasury:** Generated over N7.6bn in Treasury Sales income in 9M 2022.
- IV. CASA:** Growth in low-cost deposits by over 30% YoY to N1.3 trillion.
- V. Wealth:** Recorded a 48% growth in Assets Under Management grew YoY, to N756 billion.
- VI. Brokerage:** Grew value of stockbroking trades by 140% YoY to N70.3 billion in 9M22 which contributed significantly to the 55% YoY growth in Brokerage Commissions.
- VII. Financial advisory/Capital Raise:** Our investment banking business grew fees from investments raised and advised on by 88% YoY to N679.8 million .

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3rd Party Products and Services

Insurance: N806m revenue generated from Insurance in 9M 2022 (Up 9% from 9M 2021).

Airtime & Data: N1.02bn revenue generated from Airtime & Data sales in 9M 2022 (Up 25% from 9M 2021).

Lifestyle Services: Launched our BNPL product in partnership with a BNPL focused Fintech. We are currently piloting with a number of merchants.

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Capital

Own Capital: Grew lending to the following Segments YoY; Corporate Banking (N97.5 billion), SME (N75.3 billion), Institutional (N10.0 billion), Commercial (N9.4 billion) & Personal Banking (N1.5 billion).

Our investment banking business raised and advised on investments totaling N599.8 billion in 9M 2022, compared to N463.9 billion in 9M 2021.

3rd Party Capital from DFI's, Funds:

Mobilized capital/funding totaling N314.2 billion in 9M 2022, up 65% from 9M 2021.



9M 2022 Results Overview: FCMB Group Plc

Mr. Deji Fayose: Chief Financial Officer - FCMB Group Plc



Group Statements of Comprehensive Income

- Revenues grew by 9% and 34% QoQ and YoY respectively driven by growth in both net-interest income and non-interest income.
- Net Interest Income increased by 3% QoQ and 42% YoY. The YoY growth was due to a 33% increase in interest income, as yields on earning assets grew from 10.6% to 10.9% and a loan book growth of 23%.
- Non-interest income also grew by 36% YoY largely driven by growth in service fees and commissions, commissions from LCs and trading income despite a decline in Foreign Exchange revenues.
- Operating expenses declined by 3% QoQ, however grew by 18% YoY, due to increased regulatory costs, investments in technology, and general inflationary pressures.
- Impairment charges grew by 22% QoQ and 293% YoY on the back of increased provisions on risk assets.
- Overall, Group PBT grew by 68% YoY from N15.7b in 9M 21 to N26.5b in 9M 22.

N'm	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
Revenue	65,465	71,496	9.2%	144,091	192,653	33.7%
Interest Income	51,397	55,996	8.9%	115,751	154,084	33.1%
Interest Expense	(19,378)	(23,108)	19.2%	(50,360)	(61,028)	21.1%
Net Interest Income	32,020	32,888	2.7%	65,391	93,055	42.3%
Non-Interest Income	14,067	15,500	10.2%	28,340	38,569	36.1%
- Net Fees & Commissions	9,384	12,751	35.9%	20,246	27,172	34.2%
- Trading Income	3,620	2,428	-32.9%	6,610	8,558	29.5%
- FX Income	43	2,686	6,146.5%	2,746	1,348	-50.9%
- Others	1,020	(2,366)	-332.0%	(1,263)	1,491	-218.1%
Operating Income	46,087	48,387	5.0%	93,731	131,624	40.4%
Operating Expenses	(30,107)	(29,304)	-2.7%	(73,224)	(86,415)	18.0%
Net impairment loss on financial assets	(6,570)	(8,008)	21.9%	(4,765)	(18,705)	292.5%
PBT	9,410	11,076	17.7%	15,742	26,505	68.4%
PAT	8,337	9,258	11.0%	13,805	22,921	66.0%

Group Performance Highlights

- 9M RoAE grew to 12.1% from 8.0% in prior year a YoY growth of 51% as a direct result of growth in profitability.
- Net-Interest Margin increased by 2.9% YoY driven by a growth in earning assets yield.
- Cost to Income ratio also improved by 7.2% and 12.9% QoQ and YoY respectively.

	Performance Index	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
	Return on Average Equity	13.5%	14.6%	8.1%	8.0%	12.1%	51.3%
	Return on Average Assets	1.3%	1.4%	7.7%	0.8%	1.1%	37.5%
	Loan/Deposit Ratio	60.3%	54.1%	-10.3%	66.4%	54.1%	-18.5%
	Loan/Funding Ratio	50.9%	46.2%	-9.2%	52.1%	46.2%	-11.3%
	Cost/Income Ratio	65.3%	60.6%	-7.2%	75.4%	65.7%	-12.9%
Operating	Net Interest Margin	7.7%	7.5%	-2.6%	6.9%	7.1%	2.9%
	NPL/Total Loans	4.6%	4.4%	-4.3%	3.2%	4.4%	37.5%
	Coverage Ratio	97.9%	89.8%	-8.3%	146.4%	89.8%	-38.7%
	NII/Operating Income	30.5%	32.0%	4.9%	32.6%	29.3%	-10.1%
	Financial Leverage	90.5%	91.0%	0.6%	90.0%	91.0%	1.1%
	Cost of Risk	1.5%	1.8%	20.0%	0.8%	1.4%	75.0%
Capital & Liquidity	Capital Adequacy Ratio	15.1%	15.2%	0.7%	16.7%	15.2%	-9.0%
	Liquidity Ratio	30.7%	31.8%	3.6%	33.1%	31.8%	-3.9%
Investment	Share Price	3.46	3.36	-2.9%	2.89	3.36	16.3%
	NAV(N'B)	252.9	263.5	4.2%	236.0	263.5	11.7%
	Dividend (Kobo)	-	-	-	-	-	-
	EPS (Kobo)	68.99	115.7	67.7%	69.71	115.7	66.0%
Others	Opex (N'B)	30.1	29.3	-2.7%	73.2	86.4	18.0%
	Risk Assets (net) (N'B)	1,120.9	1,185.1	5.7%	967.6	1,185.1	22.5%
	Customer Deposits (N'B)	1,637.1	1,816.8	11.0%	1,408.3	1,816.8	29.0%

Group Earnings Contribution – Profit before Tax

N'm	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY	% Contribution
Banking Group	7,081	8,304	17%	10,994	19,222	75%	73%
FCMB Ltd	6,778	7,641	13%	10,702	18,069	69%	68%
FCMB UK Ltd	307	664	116%	332	1,158	249%	4%
FCMB Microfinance Ltd	(4)	(1)	-75%	(40)	(5)	-88%	0%
Consumer Finance	1,080	1,045	-3%	2,424	3,172	31%	12%
Credit Direct Limited	1,080	1,045	-3%	2,424	3,172	31%	12%
Investment Banking	231	639	177%	402	1,290	221%	5%
FCMB Capital Markets Ltd	124	153	23%	117	408	249%	2%
CSL Stockbrokers Ltd (ex FCMB-AM)	106	486	358%	285	882	209%	3%
Investment Management	971	965	-1%	1,810	2,662	47%	10%
FCMB Pensions Ltd	719	747	4%	1,172	1,997	70%	8%
FCMB Asset Management Ltd	227	198	-13%	591	609	3%	2%
FCMB Trustees Ltd	25	21	-16%	47	56	19%	0%
FCMB Group Plc (Separate)	1,363	123	-91%	2,484	2,291	-8%	9%
Intercompany Adjustments	(1,316)	0	-100%	(2,374)	(2,133)	-10%	-8%
FCMB Group Plc (consolidated)	9,410	11,076	18%	15,742	26,505	68%	100%

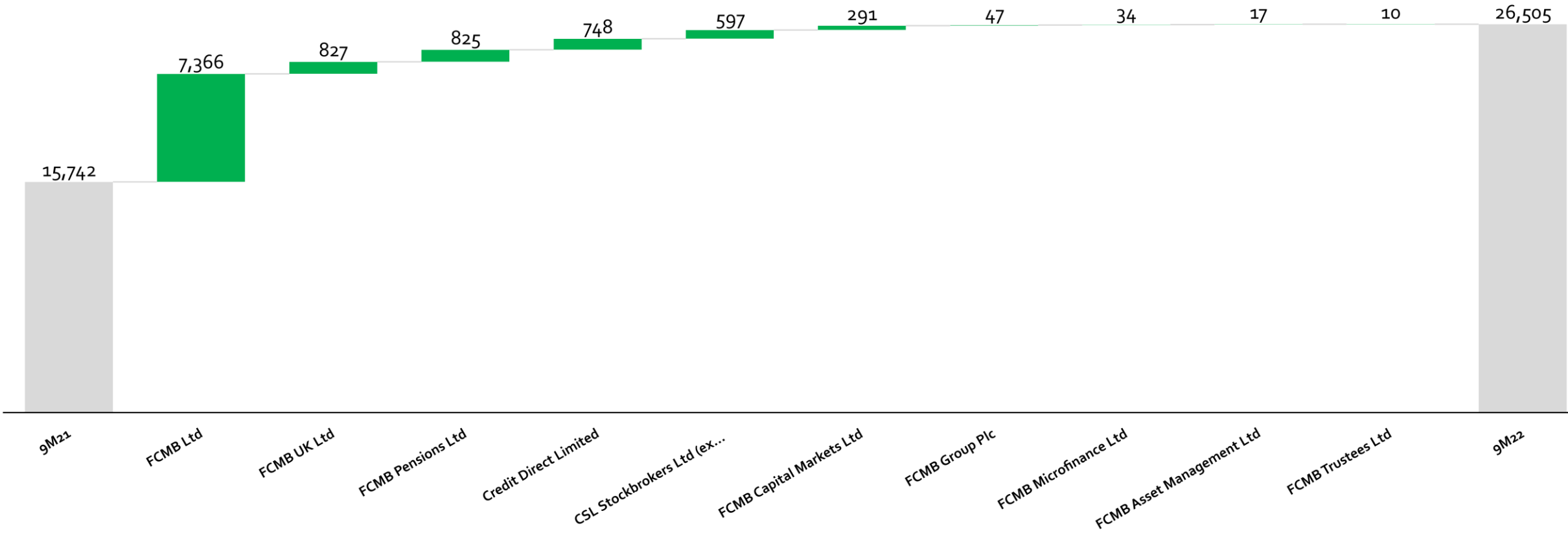
All our operating companies recorded double-digit YoY growth as follows; Banking Group 75%, Consumer Finance 31%, Investment Banking 221% and Investment Management 47%.

The Banking Group contributed 73% of Group profits, whilst our other non-banking subsidiaries contributed 27% (Consumer Finance 12%, Investment Management 10%, and Investment Banking 5%).

Group Earnings Contribution – Profit before Tax

9M 2022 PBT Waterfall

■ Increase
 ■ Decrease
 ■ Total



FCMB



Digital Business Review: FCMB Group Plc

Mr. Gbolahan Joshua: Chief Operating Officer - FCMB Group Plc





Digital Revenue

- ✓ **N27.6bn** generated from digital payments, lending activities and wealth management in 9M 22, a 51% growth from for 9M 21.
- ✓ Digital now accounts for **14%** of Gross Earnings driven by lending and payments.



Digital Loans

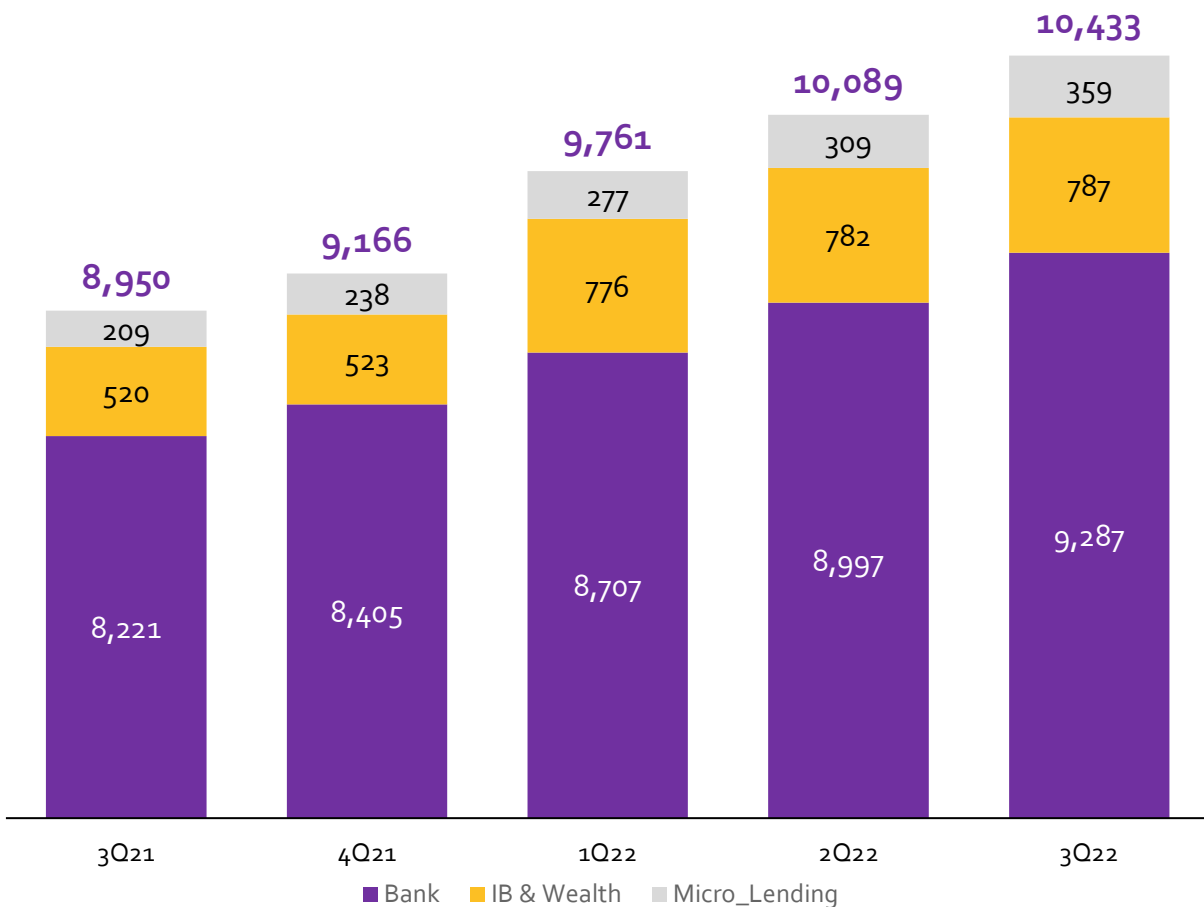
- ✓ Over **N167bn** disbursed to **690,511** customers as at 9M 22.
- ✓ Total portfolio size (**N77.0bn**) grew by **59%** from 9M 21.
- ✓ Digital lending now accounts for **62%** of digital revenues.



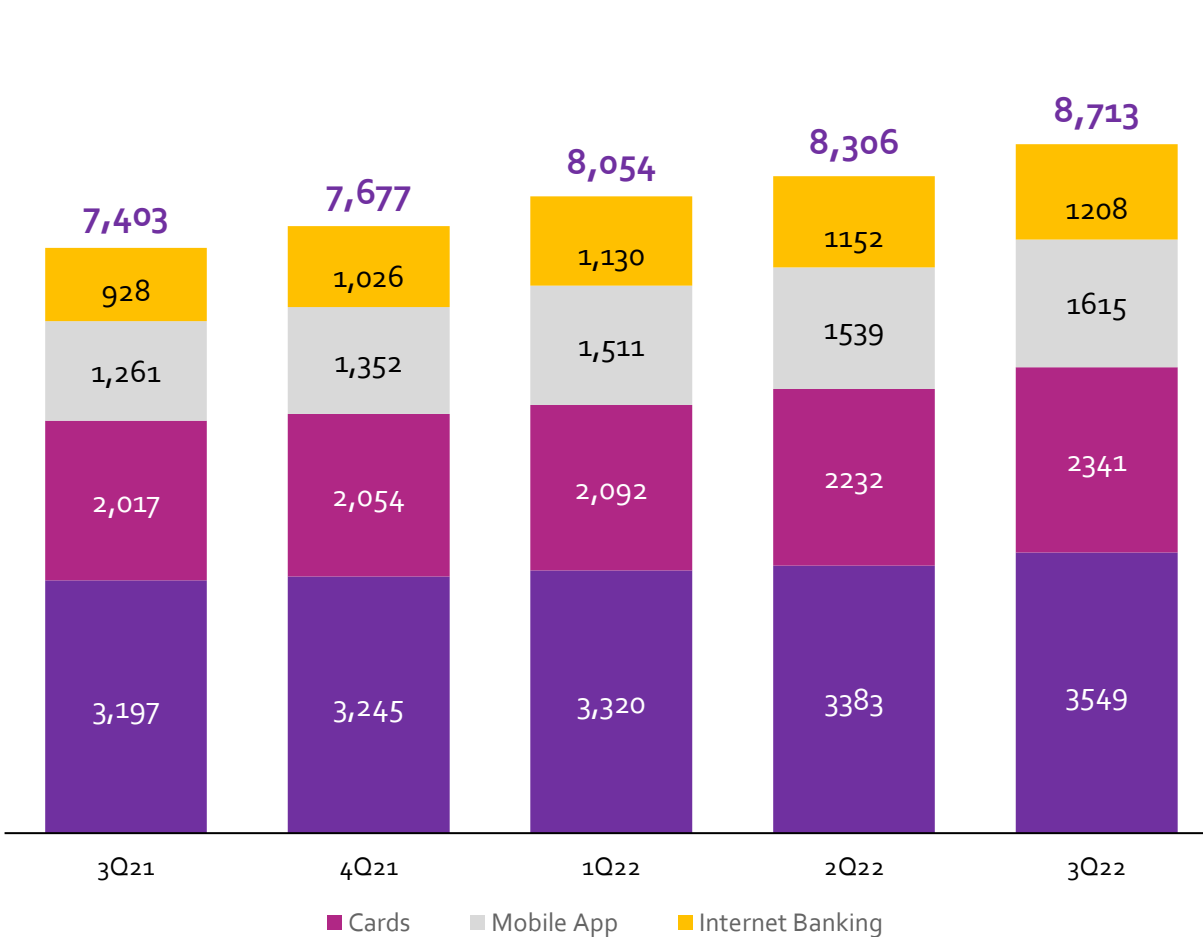
Digital Customers

- ✓ **8.7 million** digital customers up **18%** from 7.4 million (September 2021).

Customer Acquisition Trend ('000)

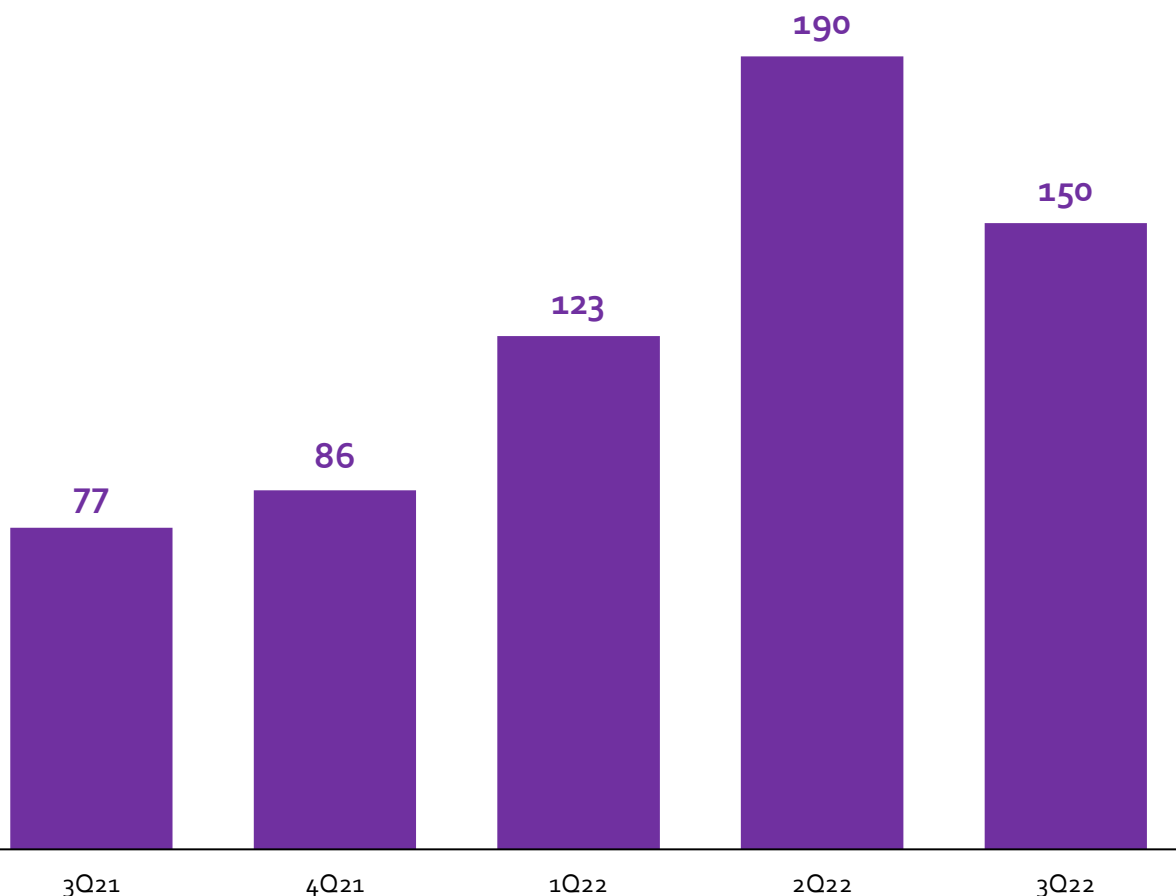


Digital Adoption By Products Trend ('000)

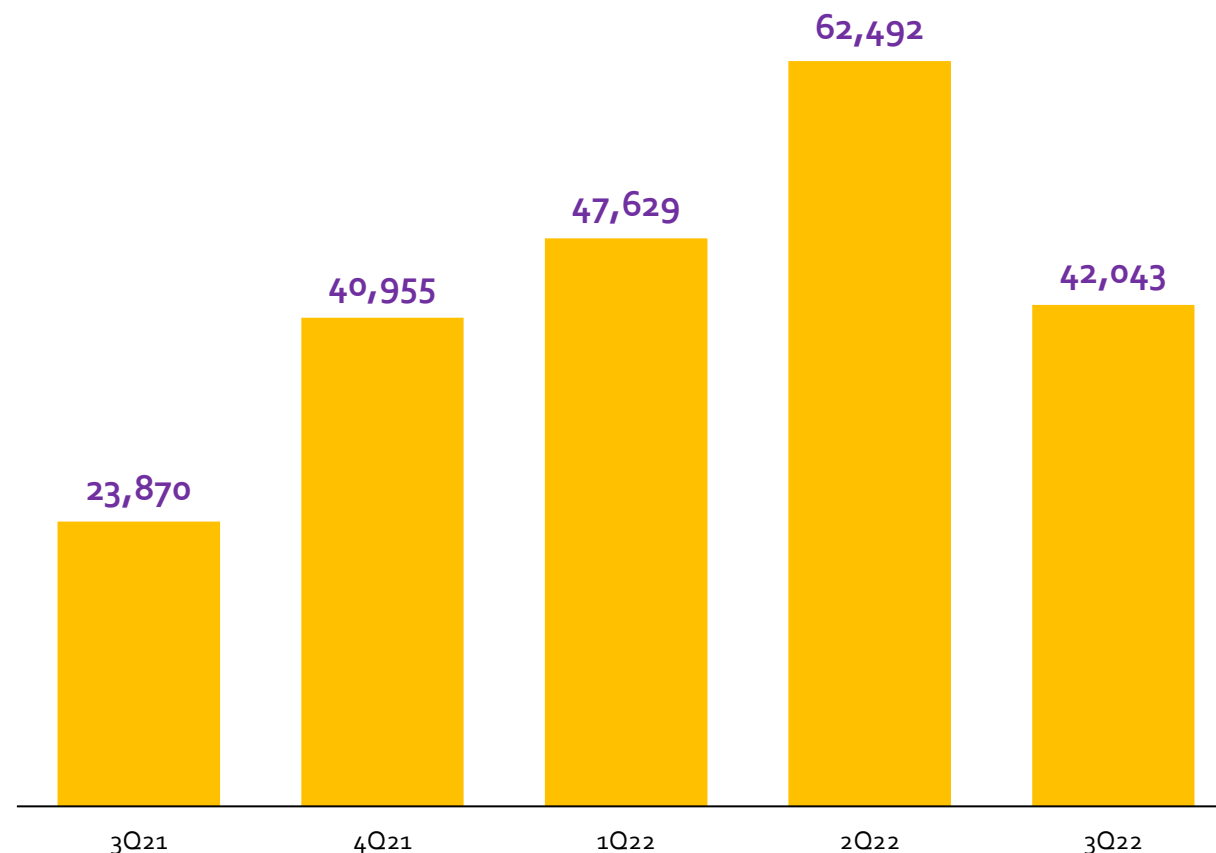


Consistent growth in customer acquisition (1.27million acquired in 2022) with increased cross-selling of digital products, digital lending products in the retail and SME Sectors also driving increased adoption of digital channels by customers.

Agency Banking Revenue N' m



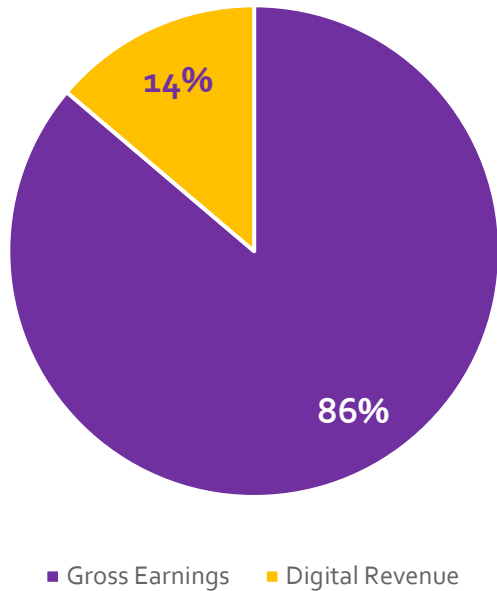
Customer Acquisition Trend



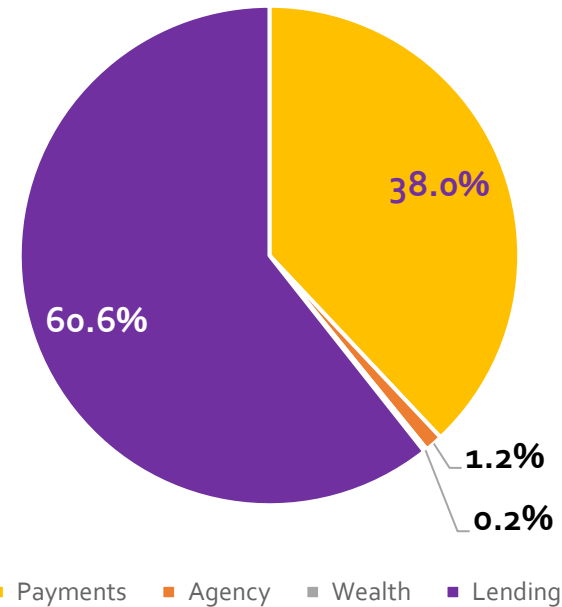
Our agency banking business remains a key focus for the Group. Temporary slowdown in Q3 performance as we implemented new operational risk management measures for the business. YTD are our agency banking business has delivered No.5bn in revenues and acquired over 152k customers. We expect this performance to rebound in Q4.


Digital Revenue Analysis 9M 2022


Digital Contribution to Gross Earnings




Digital Revenue Split

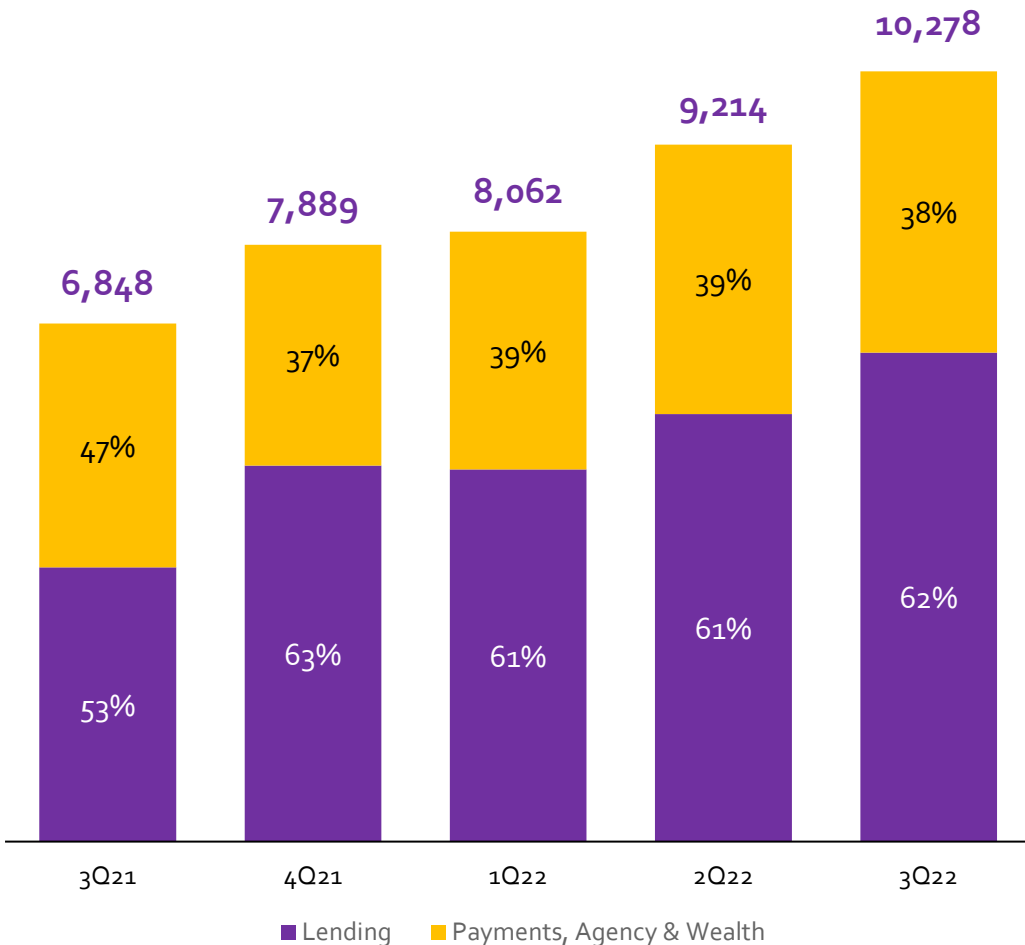


 Digital revenue of **N27.6bn** accounts for **14%** of gross earnings with Lending at **N17.0bn** contributing the largest share of revenues as at 9M 22.

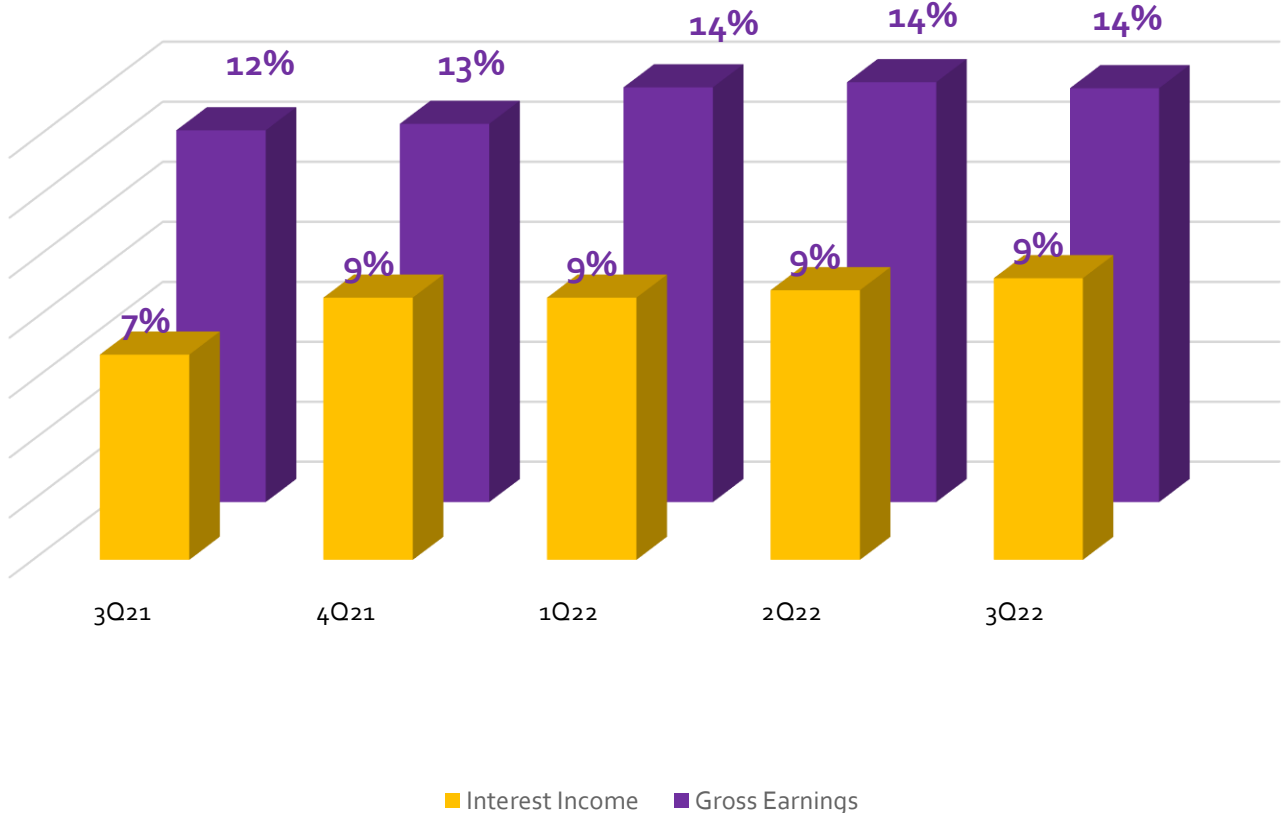
 Digital loans to Retail and SME's have grown by **38%** and **65%** YoY respectively, in line with our focus to our digital-led Retail and SME Banking Priorities.

 Digital lending and payments remain the key drivers of digital revenues of digital revenues (**98.6%**). We continue to see significant traction in digital wealth with AUM and revenues growing by **132%** and **139%** respectively from FY21. We expect to see increased wealth contribution following the launch of our US Dollar variant.

Digital Revenue Trend (In Millions)



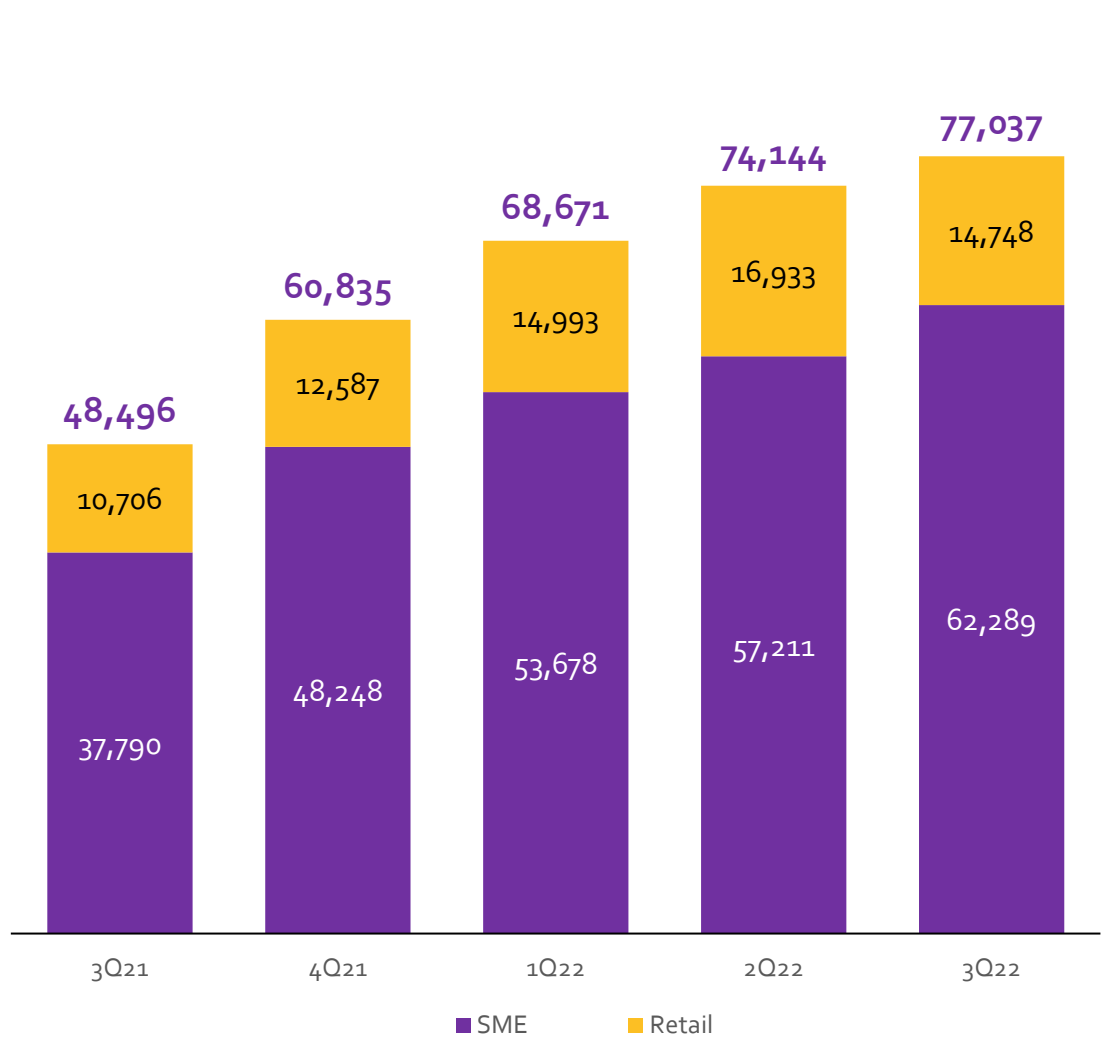
Digital Contribution To Interest Income & Gross Earnings



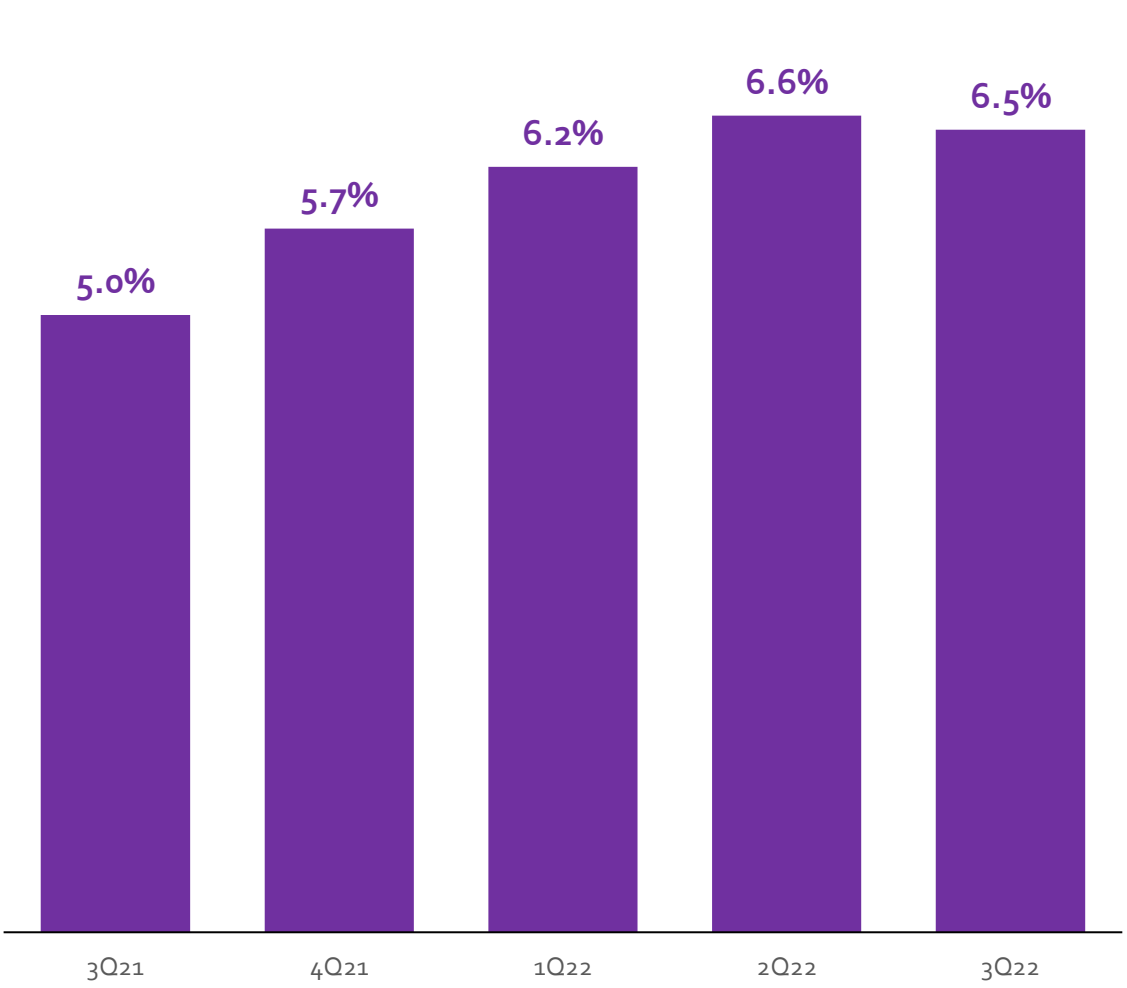
- *Consistent growth in digital revenues by over N1bn every quarter in 2022 driven by increased adoption on our digital channels and increased origination & repeat transactions on our digital lending products.*

Digital Loans Trend & Contribution To Total Loans 9M 2022

Digital Loans Trend (in billions)

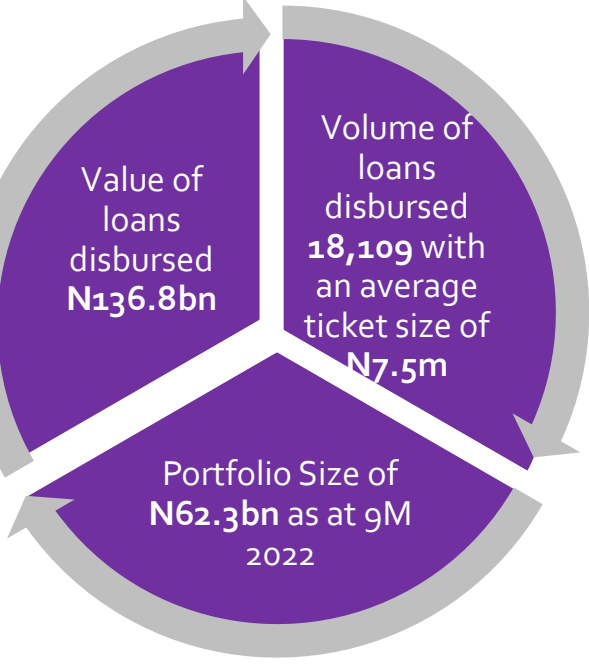


Digital Loans Contribution To Total Loans Trend

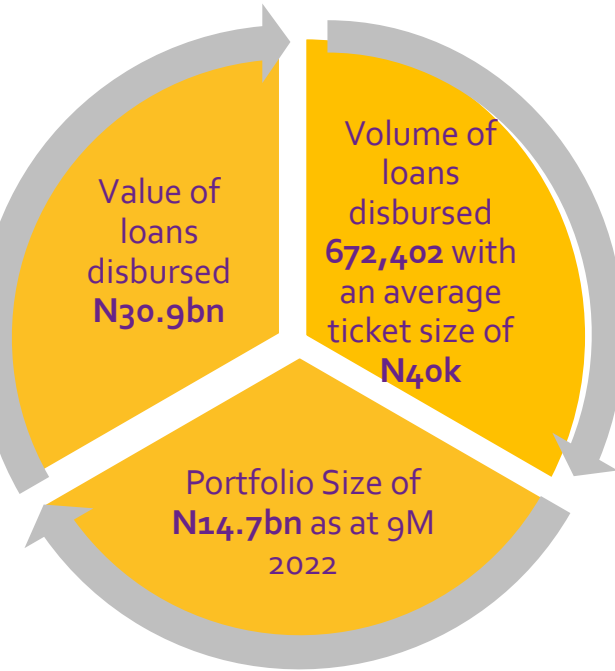


Digital loans grew by over 59% from N48.5bn in 3Q21 to N77.0bn in 3Q22 accounting for 6.5% of the Total Loan Portfolio. Retail digital lending declined due to loan write-offs in the Bank. Retail digital lending portfolio is currently split 60%/40% between CDL and the Bank.

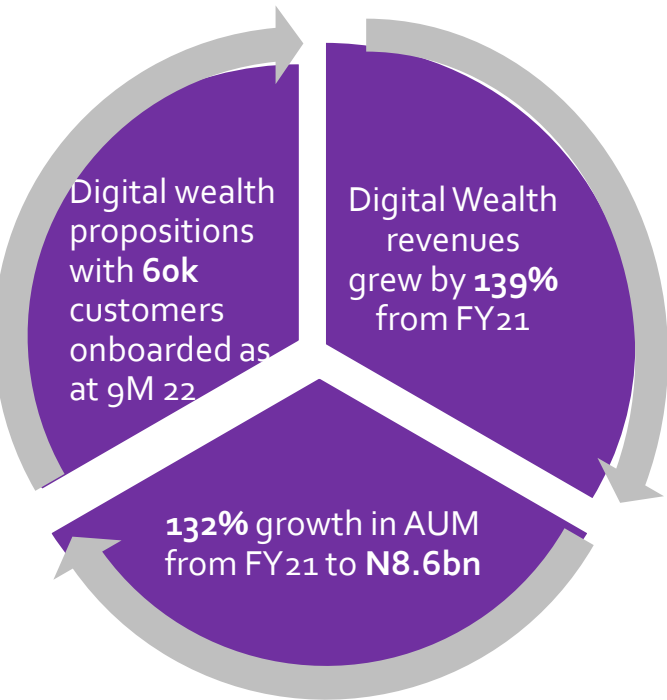
SME Digital Loans 9M 2022 Highlights



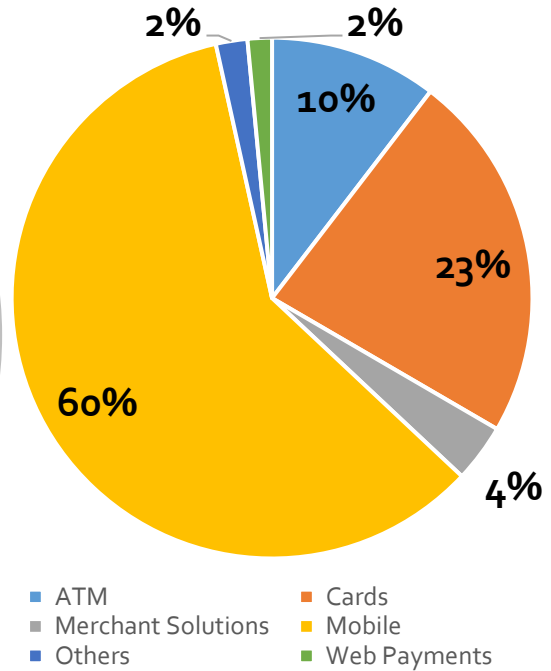
Retail Digital Loans 9M 2022 Highlights



Digital Wealth 9M 2022 Highlights



Digital Payments 9M 2022 Highlights





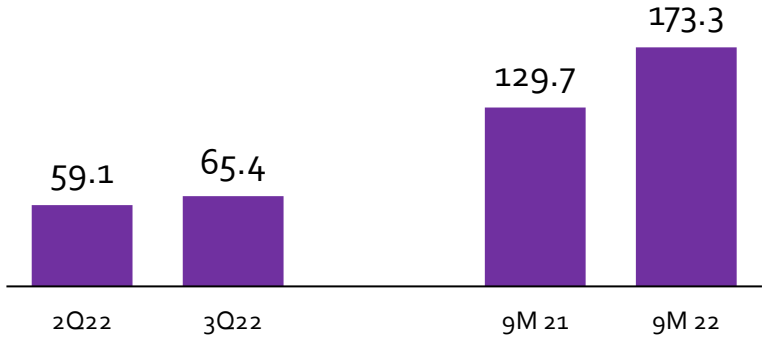
Group Performance Review: The Banking Group

Mrs. Yemisi Edun: Managing Director - FCMB Ltd

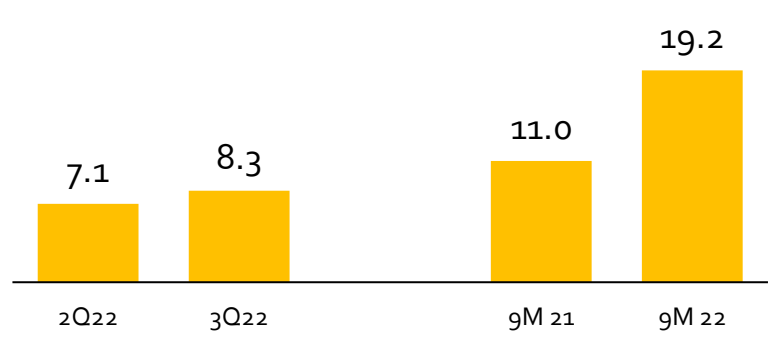


Banking Group: 9M22 Key Metrics

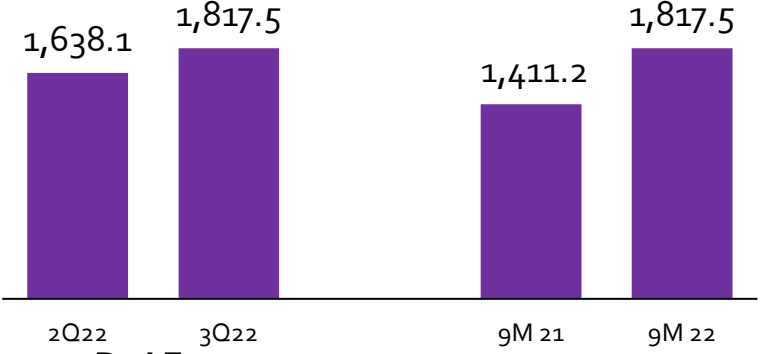
Revenue (N' bn)



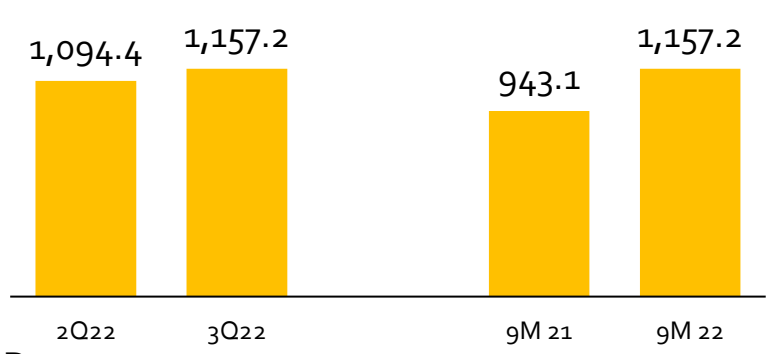
Profit before Tax (N' bn)



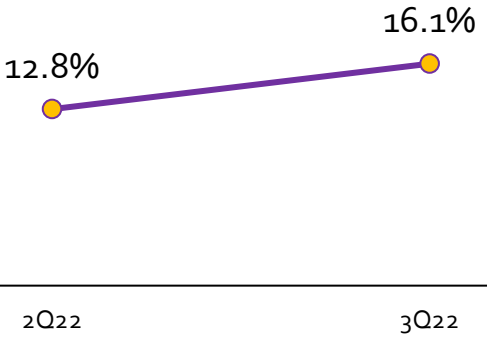
Deposits (N' bn)



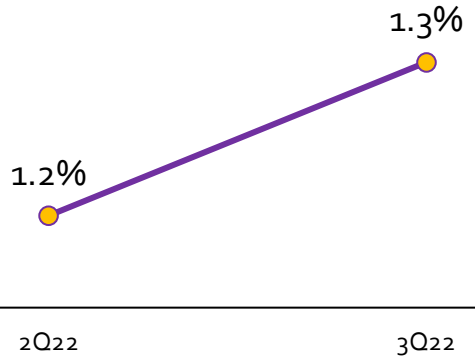
Loans (N' bn)



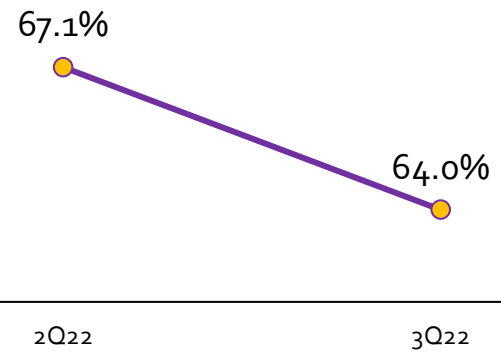
RoAE



CoR



CIR

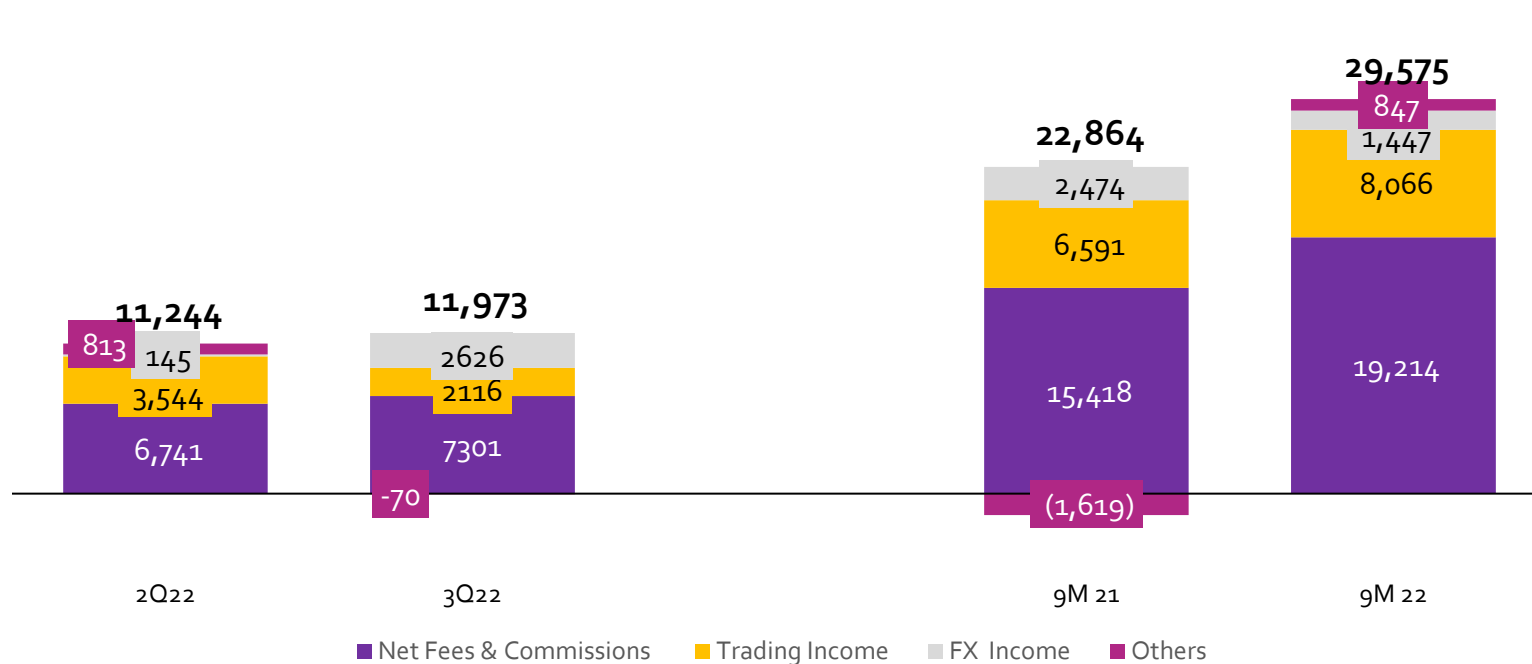


Banking Group: Financial Analysis: 2Q22 vs. 3Q22 and 9M 21 vs. 9M 22

- PBT grew 17% QoQ and 75% YoY largely due to a growth in Net interest income and Non-interest income.
- Net Interest Income grew by 3% QoQ and 47% YoY. YoY increase was supported by a 35% YoY growth in interest income as loans and advances grew by 22%.
- Non-Interest Income also increased 6% QoQ and 29% YoY. QoQ growth was driven by increase in FX income and other income while YoY growth was driven by an increase in fees & commissions, trading and other income despite a decrease in FX income.
- Operating expenses declined by 4% QoQ however, grew 10% YoY due an increase in regulatory cost, coupled with the double-digit inflationary environment and currency devaluation.
- Risk Assets (net) grew by 6% QoQ and 22% YoY, while Customer Deposits also increased 11% QoQ and 29% YoY respectively.

N'm	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
Revenue	59,075	64,571	9%	129,662	173,310	34%
Interest Income	47,832	52,598	10%	106,798	143,735	35%
Interest Expense	(18,723)	(22,677)	21%	(49,265)	(59,306)	20%
Net Interest Income	29,109	29,921	3%	57,533	84,429	47%
Non-Interest Income	11,244	11,973	6%	22,864	29,575	29%
- Net Fees & Commissions	6,741	7,301	8%	15,418	19,214	25%
- Trading Income	3,544	2,116	-40%	6,591	8,066	22%
- FX Income	145	2,626	1,712%	2,474	1,447	-42%
- Others	813	(70)	-109%	(1,619)	847	152%
Operating Income	40,352	41,894	4%	80,397	114,003	42%
Operating Expenses	(27,090)	(25,922)	-4%	(69,907)	(77,082)	10%
Net impairment loss on financial assets	(6,181)	(7,668)	24%	(3,560)	(17,770)	397%
PBT	7,081	8,304	17%	10,994	19,222	75%
PAT	6,857	8,079	7%	10,462	17,815	70%
Balance Sheet (N'B)						
Customer Deposits	1,638	1,817	11%	1,411	1,817	29%
Risk Assets	1,094	1,157	5%	943	1,157	22%

Non-Interest Income Analysis: 2Q22 vs. 3Q22 and 9M 21 vs. 9M 22



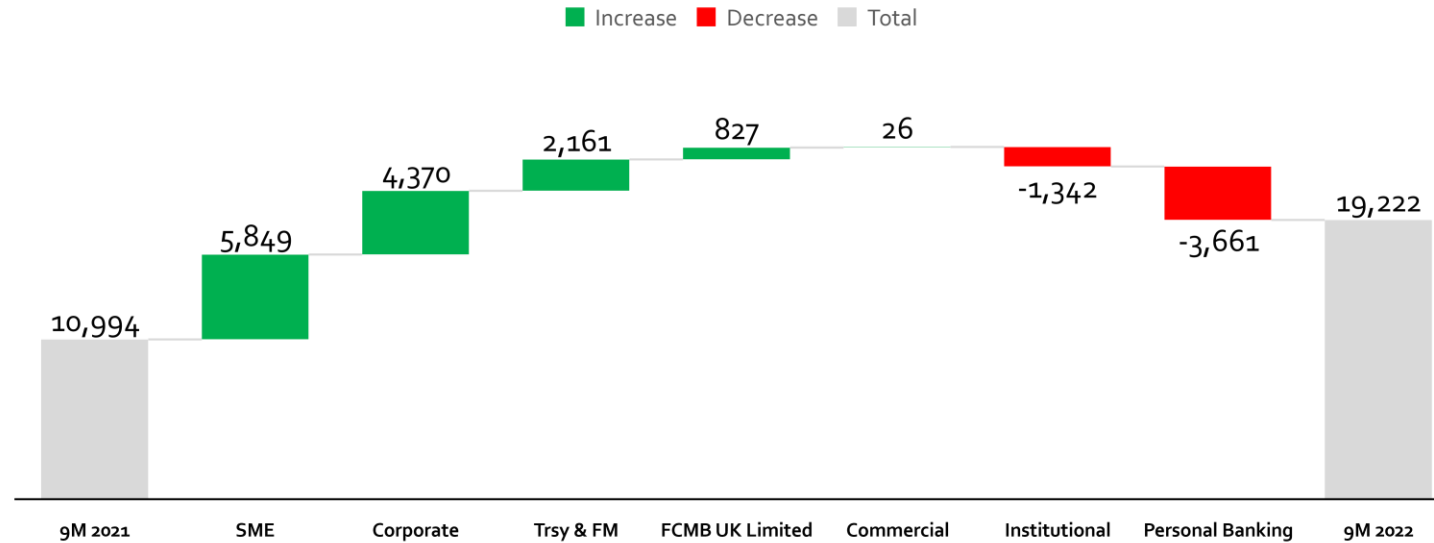
	%Δ QoQ	%Δ YoY
Net Fees & Commissions	8.3%	24.6%
Trading Income	-40.3%	22.4%
FX Income	1,712.2%	-41.5%
Others	-108.6%	152.3%
Non-Interest Income	6.5%	29.4%

- Net fees and commissions grew by 8% and 25% QoQ and YoY respectively driven by growth in electronic fees and commissions;
- Trading income declined by 40% QoQ due to reduced trading activities, however, grew by 22% YoY due to higher trading activities in government-backed securities;
- FX income increased by 1712% QoQ however declined by 42% YoY due to minimal FX revaluation gain;
- Other income declined by 109% QoQ due to modification loss on restructured facilities, however, grew by 152% YoY due to dividend income received.

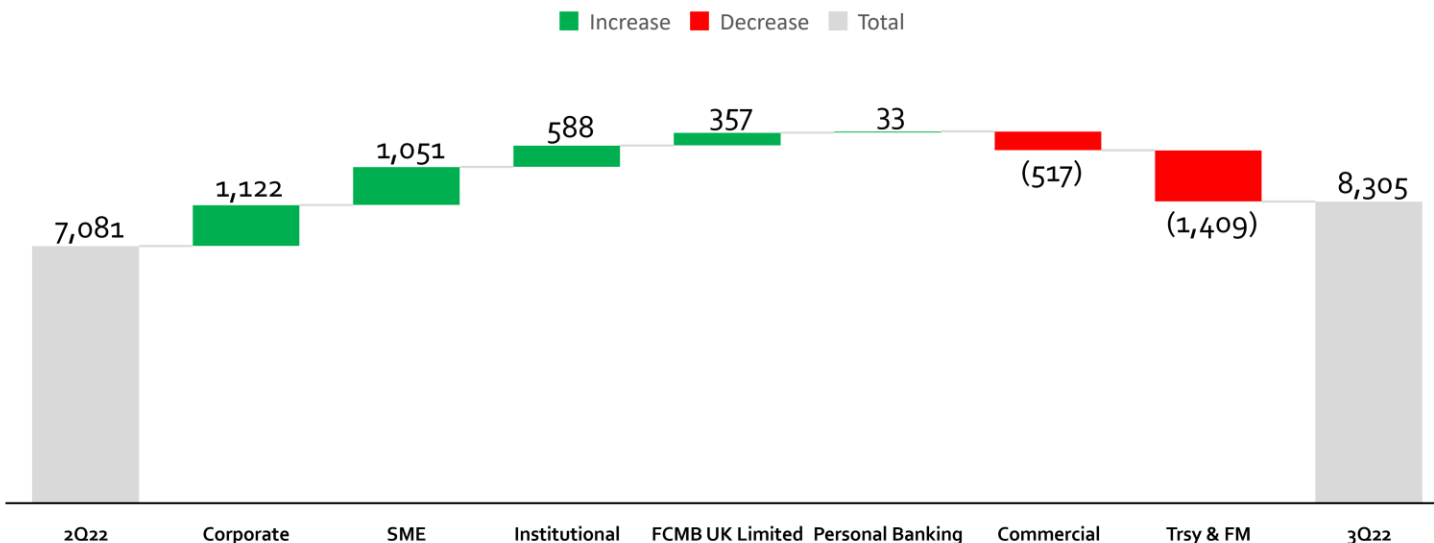
Segment & Subsidiaries Highlights: 9M 22 & 3Q22

- Personal Banking | 9M22: PBT N5.5bn (Q1:N1.4bn | Q2:N2.0bn | Q3:N2.1bn)** PBT declined YoY by N3.7bn, driven largely by an increase in operating costs, and impairments however grew by No.03bn in 3Q22.
- SME Banking | 9M22 PBT: N9.8bn (Q1:N2.7bn | Q2:N3.0bn | Q3:N4.1bn)** We continue to see traction as we remain on course with our strategy of using innovation and technology to drive the business. YoY, PBT grew by N5.8bn and N1.1bn QoQ.
- Treasury & Financial Markets | 9M22 PBT: N5.8bn (Q1:N2.0bn | Q2:N2.6bn | Q3:N1.2bn)** PBT grew by N2.2bn YoY driven by treasury sales and fixed income trading however declined by N1.4bn QoQ.
- Corporate Banking | 9M22 PBT: (No.8bn) (Q1:(No.1.6bn) | Q2:(No.1bn) | Q3:N1.0bn)** though the business is still loss making, we have seen a significant reduction in losses, with losses declining by N4.4bn YoY. PBT also improved by N1.1bn QoQ. The segment is being repositioned and we expect it to become profitable by the end of the year.
- Commercial Banking | 9M22 PBT: (No.2bn) (Q1:(No.0bn) | Q2:N.2bn | Q3:(No.3bn)** PBT improved marginally YoY by No.03bn however declined by No.5bn QoQ.
- Institutional Banking | 9M 22 PBT: (N2.1bn) (Q1:(No.8bn) | Q2:(No.9bn) | Q3:(No.4bn)** PBT declined by N1.3bn YoY however improved by No.6bn QoQ. The segment is being repositioned to return to profitability by the end of the year.

Banking Group: 9M 22 PBT Waterfall

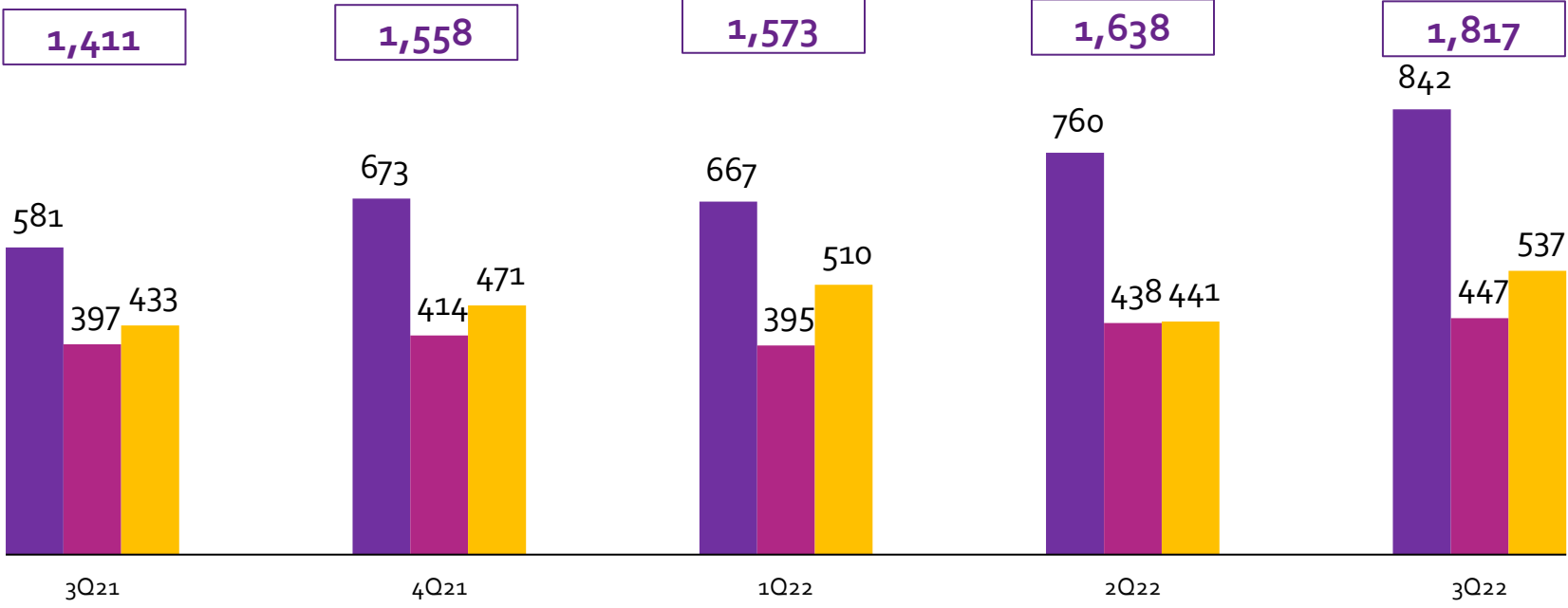


Banking Group: Q3 22 PBT Waterfall



Deposits Trend Analysis

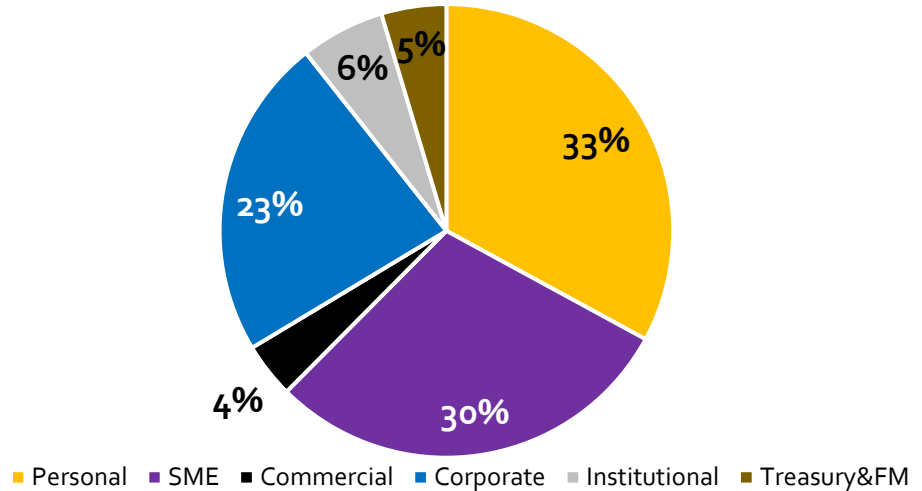
Customer Deposits (N'bn)



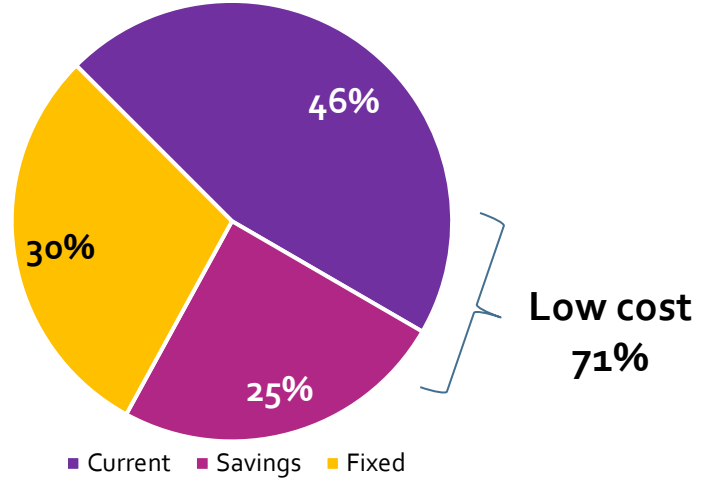
- Total deposits rose **11%** QoQ and **29%** YoY.
- Low-cost deposits now account for **71%** of our total deposits. Low-cost deposits grew by **7%** QoQ and **31%** YoY.
- Retail (Personal and SME Banking) deposits which now constitutes about **62%** of total deposits grew by **9%** QoQ and **19%** YoY.

■ Current ■ Savings ■ Fixed

By Business Segment

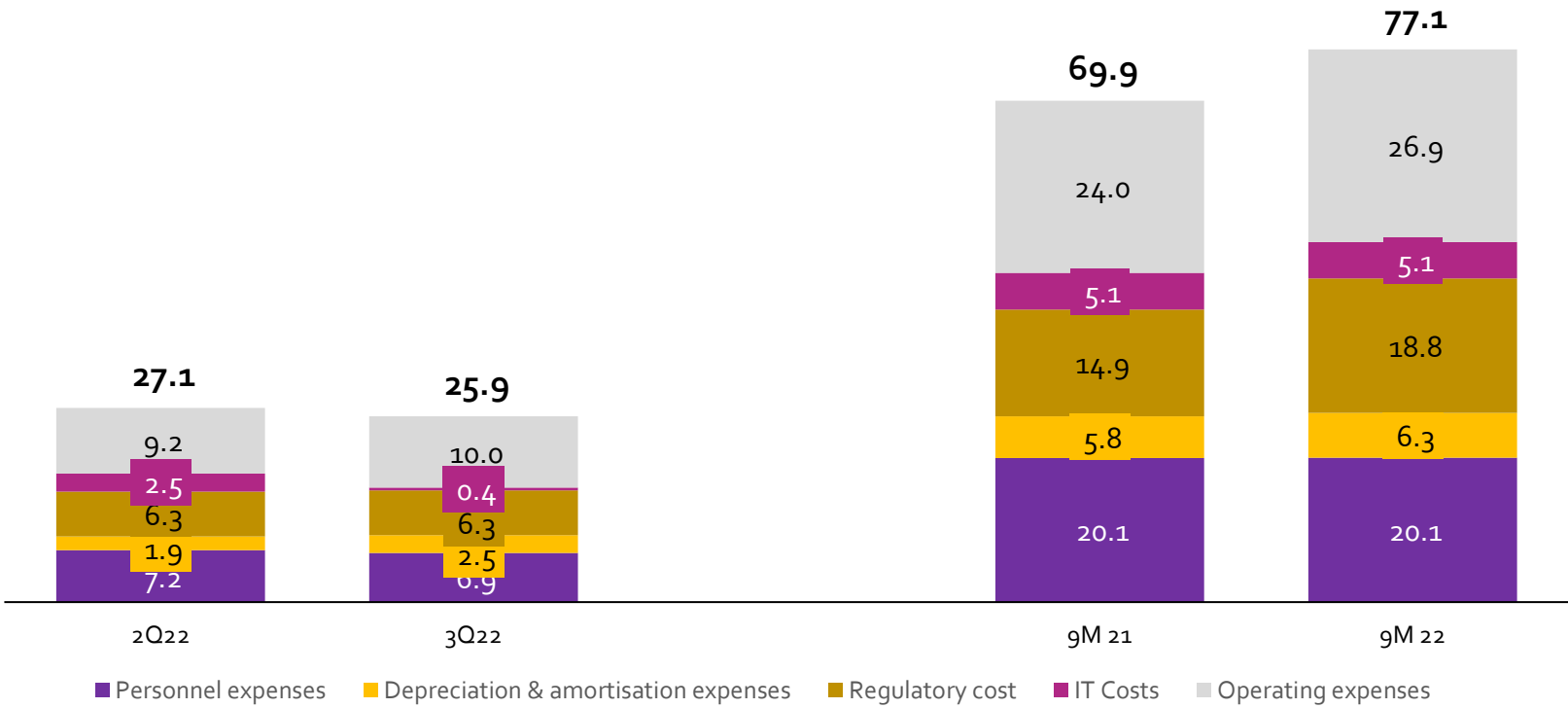
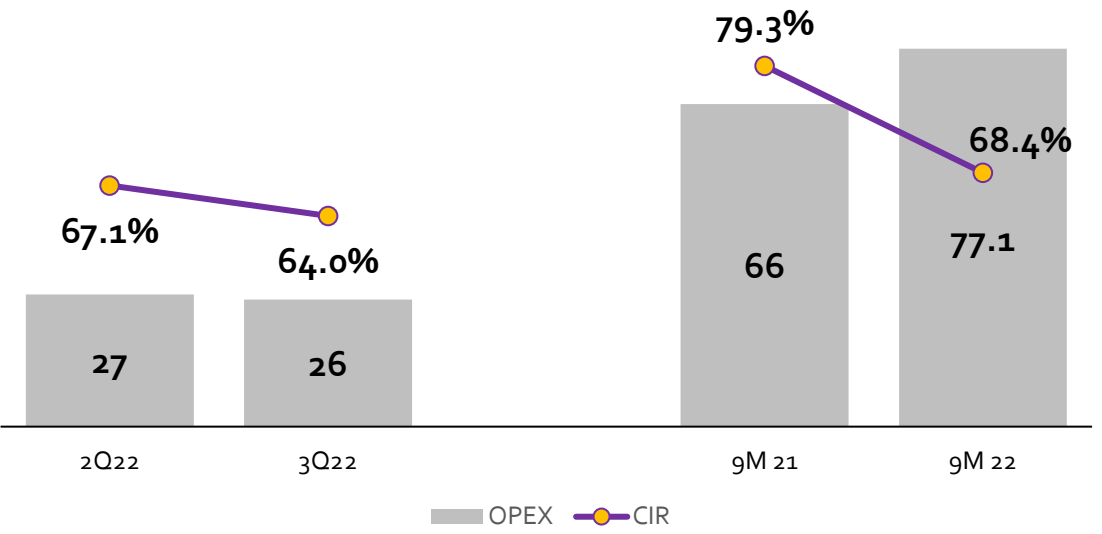


By Type



■ Current ■ Savings ■ Fixed

Cost Analysis & Reduction Plans



Analysis

- Operating expenses decreased by 4% QoQ however grew by 10% YoY due to increase in regulatory costs, coupled with the double-digit inflationary environment and currency devaluation.
- Regulatory costs (NDIC & AMCON) remained flat QoQ however grew 25% YoY as a result growth in balance sheet size and deposit liabilities.
- Technology costs declined 84% and 0.3% QoQ and YoY respectively, accounting for 7% of OPEX in 9M22.

Reduction Plans

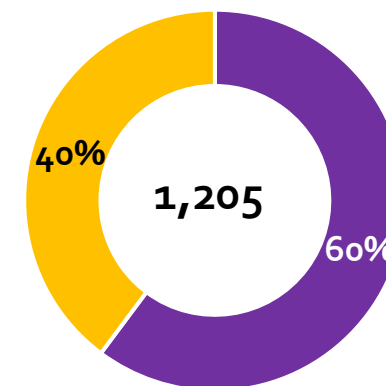
- Internal process realignment and automation for greater cost efficiency.
- Resources reallocation for optimization of performance.
- Focus remains on driving efficiencies and reducing cost-to-serve.

Loan Portfolio Classification

Diversified Loan Portfolio: *Corporate Banking segment gained 2% QoQ share of total portfolio while SME contribution declined by 2% QoQ. 22% growth YoY in Loan Book was largely from Manufacturing, Agriculture and Individual Sectors.*

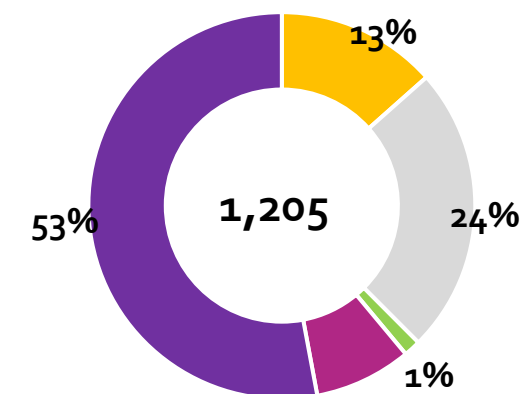
Industry Sector	Sep. 21	Dec. 21	Mar. 22	Jun. 22	Sep. 22	% Distr.
Agriculture	53,305	78,907	89,230	87,926	102,871	8.5%
Commerce	102,719	132,272	145,684	141,658	114,694	9.5%
Construction	1,554	1,629	2,309	1,788	1,671	0.1%
Education	5,308	6,220	5,626	6,113	6,389	0.5%
Finance & Insurance	87,755	83,108	83,870	84,502	90,124	7.5%
General – Others	14,169	12,876	18,038	16,572	29,258	2.4%
Government	28,691	28,441	16,315	25,019	24,881	2.1%
Individual – Bank	135,270	143,057	148,720	157,311	158,107	13.1%
Individual – Microfinance	3,347	3,030	2,757	3,135	3,837	0.3%
Information & Communications	15,215	13,531	11,582	15,446	16,318	1.4%
Manufacturing	99,500	113,925	123,605	123,884	160,428	13.3%
Oil & Gas-Downstream	67,175	81,935	86,640	81,213	82,195	6.8%
Oil & Gas-Upstream	146,295	148,710	144,684	159,477	155,044	12.9%
Oil & Gas Services	50,976	52,358	54,081	55,527	57,156	4.7%
Power & Energy	65,332	64,228	65,072	60,368	61,992	5.1%
Professional Services	3,647	3,982	7,318	6,495	23,365	1.9%
Real Estate	101,741	112,437	111,646	111,128	101,257	8.4%
Transportation & Logistics	7,174	6,870	9,352	13,469	15,366	1.3%
	989,173	1,087,517	1,126,531	1,151,031	1,204,954	100%

By Currency



■ LCY ■ FCY

By Business Segment

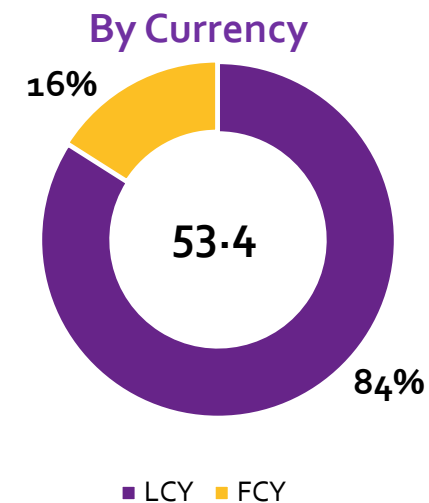


■ Personal Banking ■ SME Banking
 ■ Commercial Banking ■ Institutional Banking
 ■ Corporate Banking

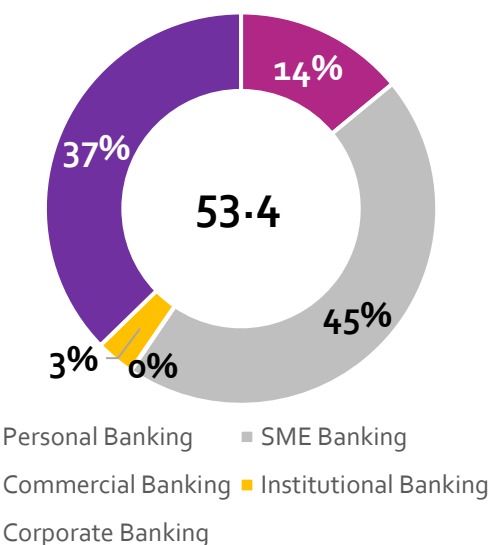
Non-Performing Loans

Marginal QoQ growth in NPL by 1.3% was largely driven by deterioration in the Power & Energy, Commerce and Government sectors.

By Sector	Mar. 2022		Jun. 2022		Sep. 2022	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	809.04	0.8%	639.09	0.7%	851.22	0.8%
Commerce	5,287.50	3.9%	6,027.57	4.3%	8,360.78	7.3%
Construction	0.00	0.0%	6.93	0.4%	91.31	5.5%
Education	187.39	3.3%	257.99	4.2%	521.88	8.2%
Finance & Insurance	8.57	0.0%	9.71	0.0%	36.49	0.0%
General – Others	184.06	1.6%	334.23	2.0%	863.11	2.9%
Government	1.73	0.0%	0.00	0.0%	1,094.82	4.4%
Individual – Bank	6,532.26	2.9%	10,093.92	6.4%	7,759.54	4.9%
Individual – Microfinance	-	0.0%	-	0.0%	-	0.0%
Information & Communications	-	0.0%	0.45	0.0%	33.85	0.2%
Manufacturing	12,108.09	9.8%	11,826.31	9.5%	11,819.70	7.4%
Oil & Gas – Downstream	4,954.87	7.3%	4,702.76	5.8%	64.52	0.1%
Oil & Gas – Upstream	-	0.0%	-	0.0%	-	0.0%
Oil & Gas Services	11,241.87	20.8%	11,238.31	20.2%	11,769.99	20.6%
Power & Energy	-	0.0%	-	0.0%	8,178.77	13.2%
Professional Services	29.78	1.7%	39.30	0.6%	1,700.37	7.3%
Real Estate	7,711.27	7.1%	7,473.19	6.7%	131.81	0.1%
Transportation & Logistics	8.21	0.1%	14.39	0.1%	87.18	0.6%
Total	49,064.7	4.4%	52,664.17	4.6%	53,365.34	4.4%

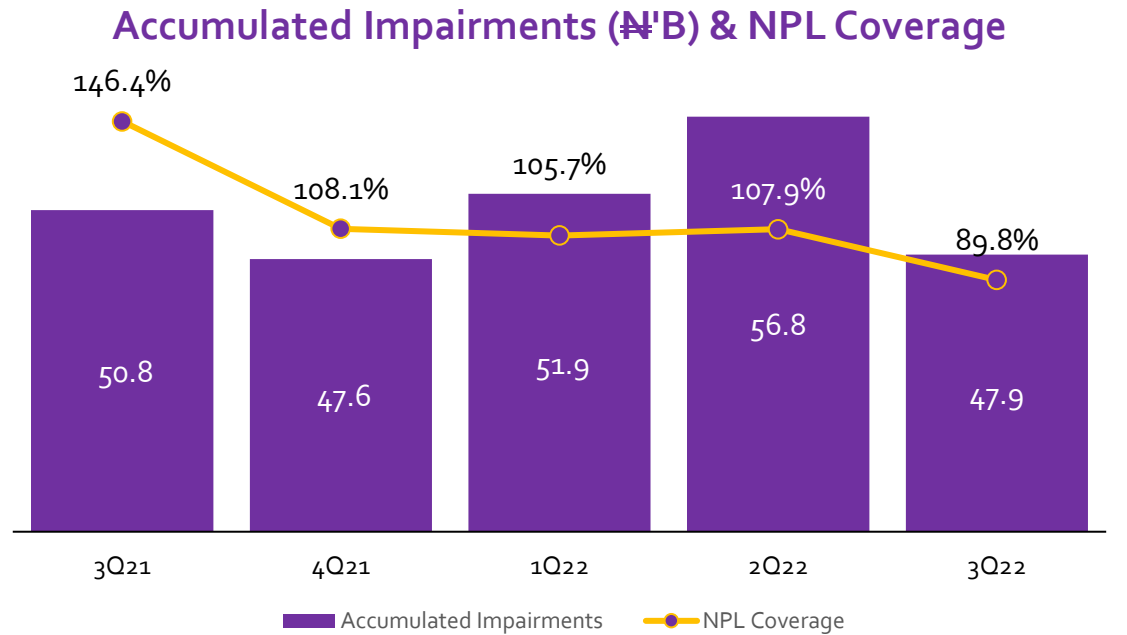
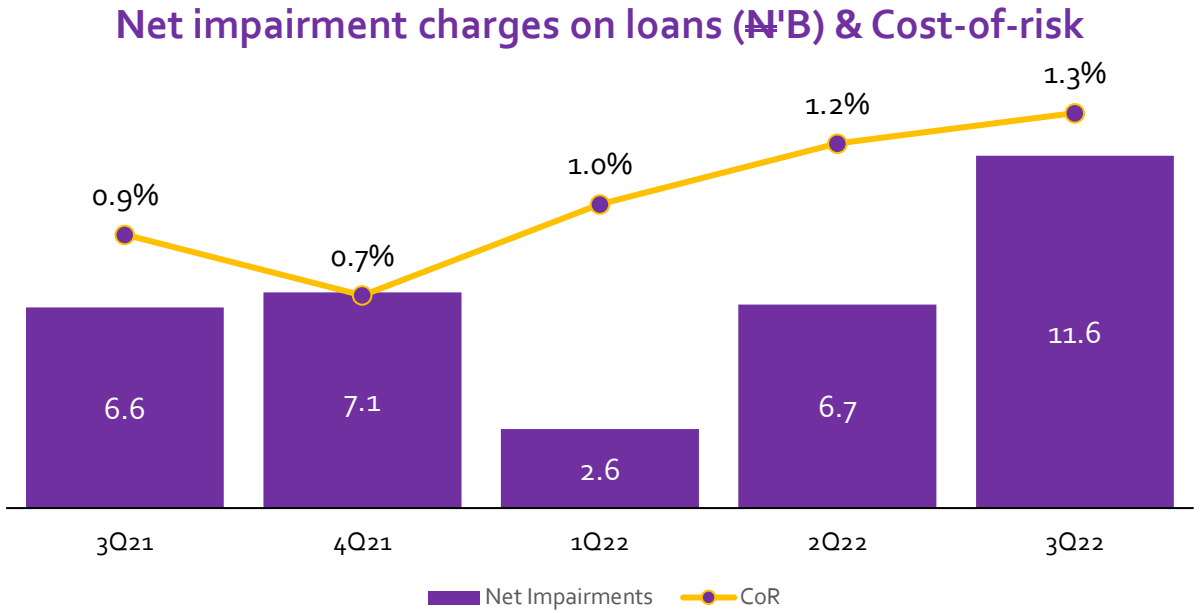
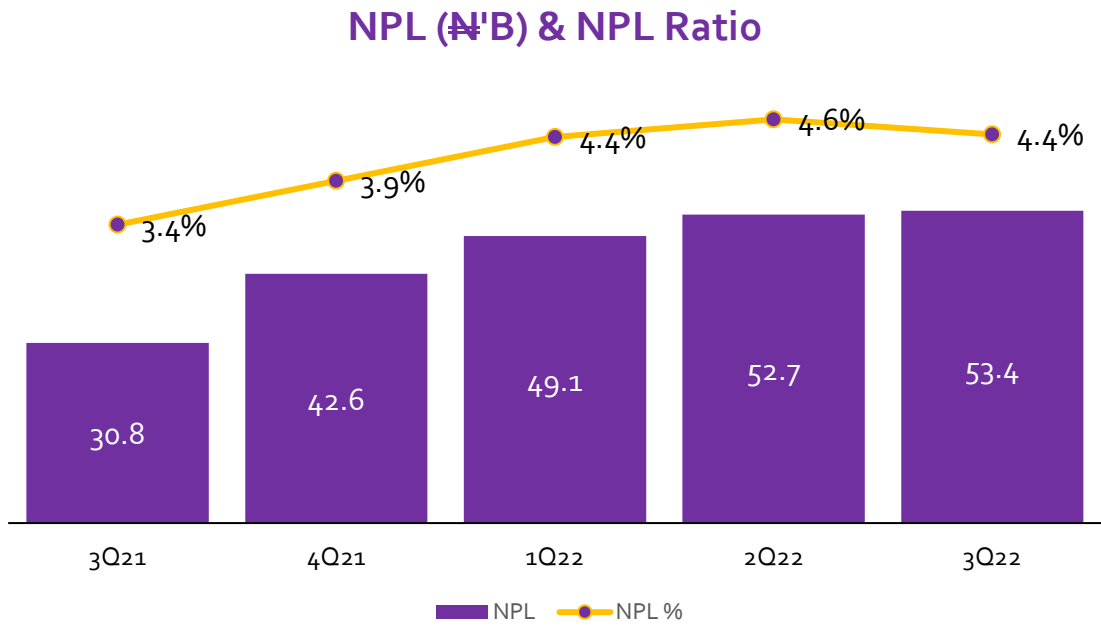


By Business Segment



NPL ratio, net Impairment charge and COR grew QoQ

- Net Impairments on Loans grew by 92% YoY while CoR grew by 66% due to growth in the Loan Book and NPL.
- 1.3 % QoQ growth in NPL was largely driven by deterioration in the Power & Energy, Commerce and Government sectors.
- Accumulated Impairments declined by 16% QoQ while NPL coverage declined to 90%.



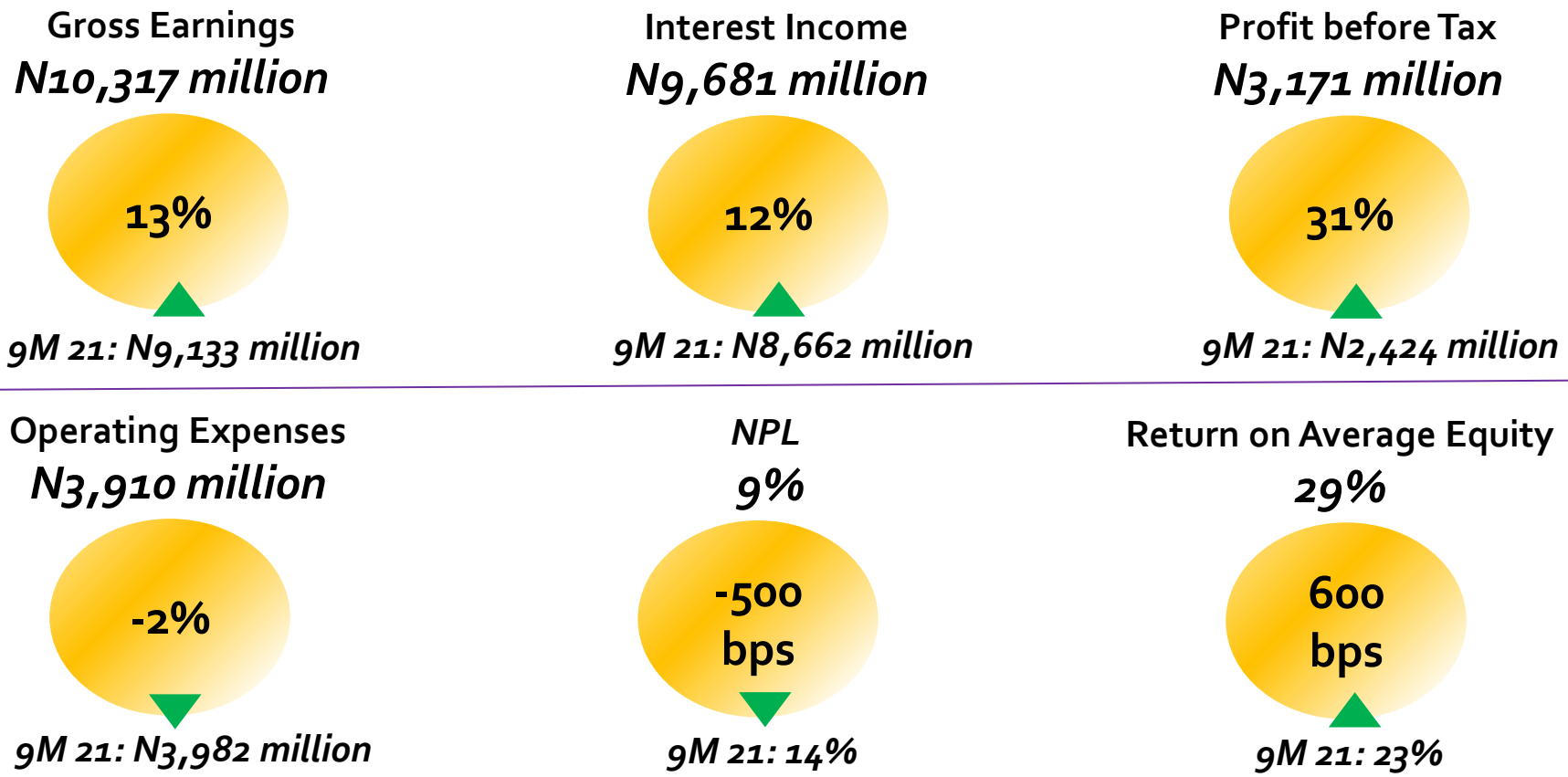


Group Performance Review: Consumer Finance

Mr. Akinwande Ademosu: Managing Director - CDL



Consumer Finance : 9M 22 Performance Highlights



Consumer Finance: Financial Analysis - 2Q22 vs. 3Q22 and 9M 21 vs. 9M 22

- Loan book expanded by 16% YoY to N27.3 billion in Q3 2022.
- PBT for our consumer finance business (CDL) declined 3% QoQ however, grew 31% YoY to N3.2 billion. YoY growth was sustained by a growth in Net-Interest and Non-Interest Income.
- Net Interest Income declined by 2% QoQ however, grew 5% YoY.
- Non-Interest Income grew by 2% QoQ and 35% YoY attributed to a growth in fees and commissions.
- Operating expenses declined marginally by 3% QoQ and 2% YoY.
- In terms of asset quality, the business recorded a 16% and 26% QoQ and YoY decrease in net impairment respectively supported by our robust risk management framework.
- Today our digital channels account for 30% of global sales, up from 22% in Q3 2021.

N'm	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
Revenue	2,825	2783	1%	7,758	8,286	7%
Interest Income	3,288	3282	0%	8,662	9,681	12%
Interest Expense	(676)	(717)	6%	1,375	2,031	48%
Net Interest Income	2,612	2565	-2%	7,287	7,649	5%
Non-Interest Income	213	217	2%	471	636	35%
- Net Fees & Commissions	111	94	-15%	146	295	102%
- Others	102	124	22%	325	341	5%
Operating Income	2,825	2783	-1%	7,758	8,286	7%
Operating Expenses	(1,391)	(1,345)	-3%	3,982	3,910	-2%
Net impairment loss on financial assets	(354)	(299)	-16%	(1,255)	(933)	-26%
PBT	1,080	1,051	-3%	2,424	3,171	31%
PAT	723	704	-3%	1,557	2,127	37%

- Maintained strong profitability ratios for the 9M22 period as RoAE grew by 26% from 9M21.
- In terms of asset quality, NPL/Total Loans ratio also improved, dropping by 36%YoY.
- The business continues to maintain good liquidity and capital buffers.

Performance Index		2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
Operating	Return on Average Equity	31%	29%	-6%	23%	29%	26%
	Return on Average Assets	9%	8%	-11%	7%	9%	29%
	Loan/Deposit Ratio	128%	120%	-6%	118%	120%	2%
	Loan/Funding Ratio	128%	120%	-6%	118%	120%	2%
	Cost/Income Ratio	46%	48%	4%	51%	46%	-10%
	Net Interest Margin	41%	38%	-7%	41%	38%	-7%
	NPL/Total Loans	8%	9%	13%	14%	9%	-36%
	Coverage Ratio	102%	102%	0%	113%	102%	-10%
	NII/Operating Income	8%	8%	0%	6%	8%	33%
	Financial Leverage	1.4%	1.4%	0%	1.4%	1.4%	0%
	Cost of Risk	5%	4%	-20%	7%	4%	-43%
	Cost of funds	15%	14%	-7%	11%	13%	18%
Capital & Liquidity	Capital Adequacy Ratio	32%	32%	0%	34%	32%	-6%
	Liquidity Ratio	126%	126%	0%	126%	126%	0%
Others	Opex (N'B)	1,391	1,345	-3%	3,982	3,910	-2%
	Risk Assets (net) (N'B)	25,712	27,302	6%	23,539	27,302	16%

FCMB



Group Performance Review: Investment Banking

Mr. Femi Badeji: Executive Director FCMB Group Plc



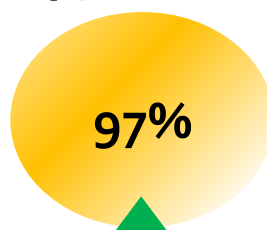
Investment Banking: 9M 22 Performance Highlights

Gross Earnings
N2,764 million



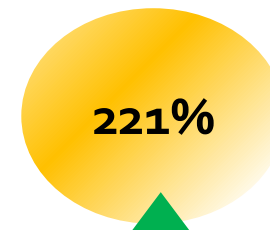
9M 21: N1,364 million

Non-Interest Income
N2,460 million



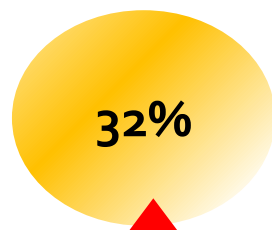
9M 21: N1,246 million

Profit before Tax
N1,290 million



9M 21: N402.2 million

Operating Expenses
N1,473 million



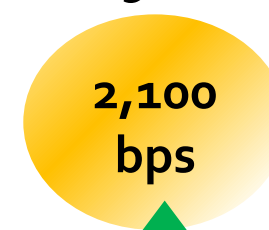
9M 21: N1,118 million

CIR
53%



9M 21: 82%

Return on Average Equity
29%



9M 21: 8%

Investment Banking: 9M 22 Financial Analysis

- PBT for the investment banking business grew by 178% and 221% QoQ and YoY, respectively. The YoY growth was driven by increased capital markets activity during the period which led to an increase in Capital Raising and Financial Advisory Fees as well as improvements in Brokerage Commissions and Trading Income.
- The value of stockbroking trades grew 140% YoY from N29.3bn in 9M21 to N70.3bn in 9M22 contributing significantly to the 55% growth in Brokerage Commissions YoY. Trading income, which grew by 555% and 2,894% QoQ and YoY respectively, was driven by an increase in proprietary trading activities.
- CIR for the business improved significantly in 9M22 to 53% from the 82% recorded for the same period in 2021 on the back of improved earnings.
- Overall, contribution to Group PBT has improved from less than 3% in 9M21 to 5% by 9M22.

N'm	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
Gross earnings	690	1,196	73%	1,364	2,764	103%
Net Interest Income	86	156	81%	118	304	158%
Non-Interest Income	604	1,040	72%	1,246	2,460	97%
Capital Raising/Advisory Fees	240	246	2%	360	680	89%
Brokerage Commissions	288	495	72%	827	1,280	55%
Trading Income	47	308	555%	16	479	2,894%
Other Income	19	(8)	-142%	33	2	-94%
Operating Income	690	1,196	73%	1,364	2,764	103%
Operating Expenses	(460)	(556)	21%	(1,118)	(1,473)	32%
PBT	230	640	178%	402	1,290	221%
PAT	156	480	208%	287	945	229%
Key Ratios						
CIR	67%	47%	-30%	82%	53%	-35%
Return on Average Equity	15%	44%	193%	8%	29%	263%
Return on Average Assets	10%	27%	170%	5%	18%	260%

FCMB



Group Performance Review: Investment Management

Mr. James Ilori Chief Executive Officer: FCMB Asset Management Ltd



Investment Management: 9M 22 Performance Highlights

Gross Earnings
N5,609 million

49%

9M 21: N3,754 million

Non-Interest Income
N5,305 million

47%

9M 21: N3,605 million

Profit before Tax
N2,662 million

47%

9M 21: N1,810 million

Operating Expenses
N2,947 million

52%

9M 21: N1,944 million

AUM
N756,135 million

48%

9M 21: 510,376 million

Return on Average Equity
23%

200bps

9M 21: 21%

Investment Management: 9M 22 Results Review

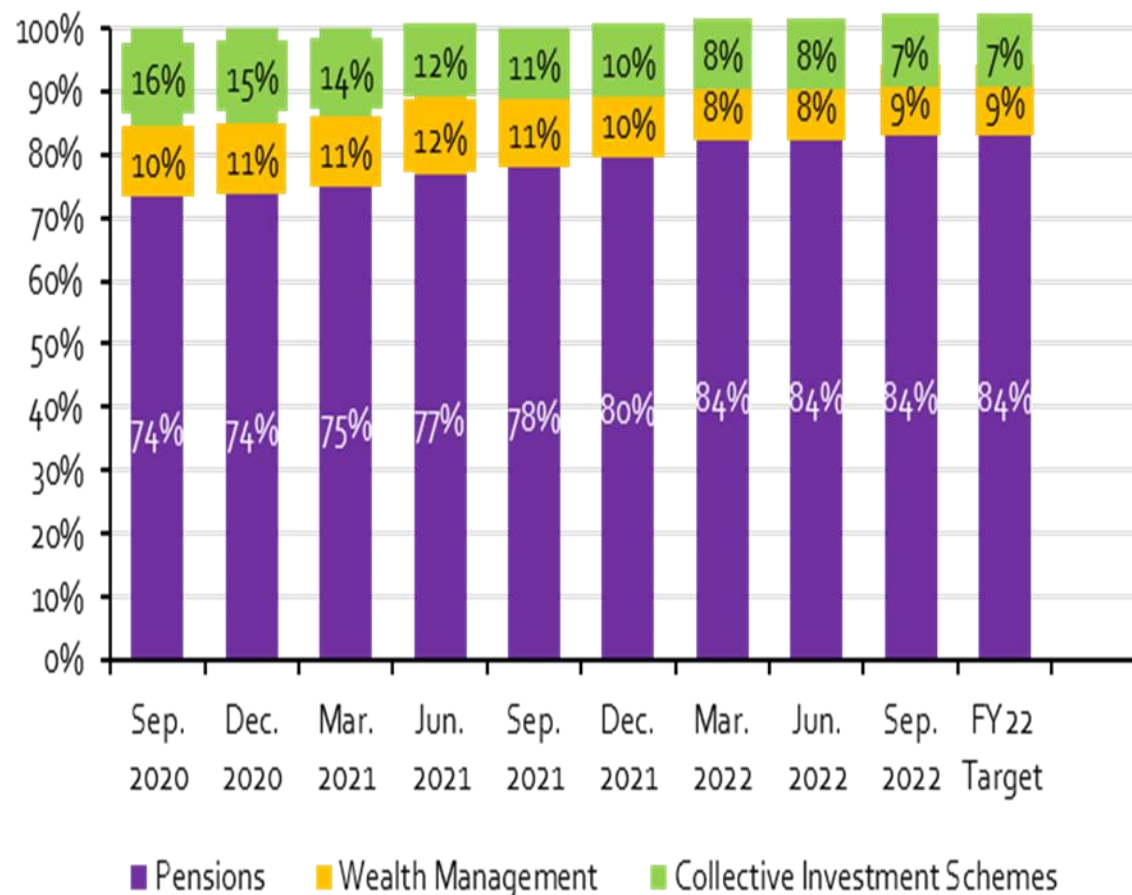
- Assets Under Management grew by 3% quarter-on-quarter and by 48% year-on-year, to N756 billion, with AUM from the acquisition of AllCO contributing 21% of total AUM. Investment Income accounted for 51% of the quarter-on-quarter AUM increase, with the balance coming from Net Contribution from customers;
- Our Pensions business accounted for 84% of AUM in 3Q 2022, compared with 78% contribution in the same period, last year;
- The number of Retirement Savings Accounts grew by 2.40%, to close at 729,530, in the third quarter. Also, Registrations via our digital Platform accounted for 61% of the increase in the number of RSAs;
- We were net recipients of funds from the transfer window in the 9 months to Sept 2022, with a net inflow of N3.86 billion;
- The acquisition of AllCO accounted for 30% (N300m) of the YoY cost increase. However, we are on track to achieving our N1bn cost savings synergy target.
- PBT increased by 5% quarter-on-quarter and by 47% year-on-year, as the acquisition of AllCO Pensions continued to positively impact earnings. Our Pensions business accounted for 75% of PBT, compared with 65% in 3Q 2021 and 74% in 2Q 2022.

N'm	2Q22	3Q22	%Δ QoQ	9M 21	9M 22	%Δ YoY
Gross earnings	2,060	1,957	-5%	3,754	5,609	49%
Net Interest Income	46	181	293%	149	304	104%
Non-Interest Income	2,014	1,776	-12%	3,605	5,305	47%
- Advisory Fees	31	30	-3%	80	82	2%
- Brokerage Commission	46	15	-67%	44	67	52%
- Asset Management Fees	1,906	1,669	-12%	3,433	5,060	47%
- Others	31	61	97%	48	97	102%
Operating Income	2,060	1,957	-5%	3,754	5,609	49%
Operating Expenses	(1,089)	(992)	-9%	(1,944)	(2,947)	52%
Net gains/(losses) from fin. instruments at fair value	-	-	-	-	-	-
PBT	971	959	-1%	1,810	2,662	47%
PAT	667	698	5%	1,321	1,877	42%
AUM	736,366	756,135	3%	510,376	756,135	48%
ROAE	31%	25%	-19%	21%	23%	10%
CIR	53%	51%	-4%	52%	53%	2%

Our primary goals for the rest of the year include:

- AllCO Pension integration:** The benefits at the end of 3Q 2022, from the AllCO Pension acquisition were reflected in AUM, Cost-savings and PBT. AUM increased by N6 billion (in addition to N154 billion inherited from 2021), Cost-savings from synergies rose to N784 million, and PBT rose by an additional N871 million. Our year-end projections include incremental AUM of N11 billion (so total AUM contribution from the AllCO acquisition would hit N165 billion, including the N154 billion from last year), Cost-savings of N1 billion, and additional PBT of N1.29 billion;
- Digital distribution:** The implementation of our digital distribution plan continued to gather momentum. AUM and Management fee from digital products grew by 132% and 139%, in the 9 months to Sept 2022. We expect the strong growth in AUM and Fee to accelerate, following the launch of our US Dollar variant and as we sign distribution deals with internal and external parties;
- Alternative Assets:** We are close to launching our first Fund in Alternative Assets and have appointed Parties to the Offer. We are concluding arrangements to submit a registration request to the regulator, and plan to raise at least N10 billion, under Series 1.

Investment Management Group - Contribution to AUM



FCMB



Outlook

Mr. Ladi Balogun: Group Chief Executive - FCMB Group Plc



We are on track to exceeding our YoY PBT growth target of >40% despite a slightly slower Q4 compared to our Q3 run rate driven by the following:

Banking Group – Traditionally stronger profitability in Q4 due to non-recurrence of AMCON levy to be tapered by lower volume of earning assets due to increased CRR.

Increase in digital revenues by over 30% Year-on-Year from digital lending & payments. At our current run-rate digital revenues are projected to exceed N34 billion for FY22. A growth of over N8 billion from the N26.2 billion delivered in 2021, which is expected to cushion the pressure on fund based income as mentioned.

Investment Management - Growth in AUM by ~50% YoY and associated asset management fees, driven by our PFA acquisition, increased market share in the Pensions business and our digital wealth management platforms.

Investment Banking – Sustained performance from our Capital Markets business as we strategically continue to strengthen our DCM position.

Consumer Finance - Performance trajectory expected to be sustained in 4Q 2022.