

FCMB

1Q21

INVESTORS & ANALYSTS
PRESENTATION

5 MAY 2021



Agenda

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1Q 2021 Results Overview

Commercial & Retail Banking:
Performance Review

Corporate & Investment Banking:
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Investment Management Review

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Introduction

Mr. Ladi Balogun:
Group Chief Executive
FCMB Group Plc



Total Assets
N2.1 trillion

14%

1Q20: N1.9 trillion

Profit before Tax
N4.2 billion

-22%

1Q20: N5.4 billion

Deposits
N1.3 trillion

32%

1Q20: N1.0 trillion

Loans
N886.1 billion

16%

1Q20: N764.3 billion

Assets Under Management
N495.7 billion

16%

1Q20: N427.1 billion

Gross Earnings
N43.2 billion

-12%

1Q20: N49.2 billion

Customers
8.5 million

14%

1Q20: 7.4 million

Digital Customers
7.2 million

40%

1Q20: 5.2 million

Capital Adequacy
16.5%

-50bps

1Q20: 17.0%

Return on Average Equity
6.3%

-300bps

1Q20: 9.3%

Non-Performing Loans
3.2%

-30bps

1Q20: 3.5%

Innovation

Objective: Make digital the most significant revenue and value driver in our banking activities

Key Results:

- ❖ **Mobile App & USSD Commissions:** Transaction volume growth was 8% QoQ and 66% YoY. Revenue of N714.8 million was an increase of 21% QoQ and 66% YoY. This positive trend is reflective of the increase in our digital banking transactions.
- ❖ **Digital loans**, at the bank, of N113.9 billion, represented 31% of total retail loans sales and 87% of total retail loans count.
- ❖ **7.2m digital customers – up 40% YoY** from 5.2 million (March 2020). Growth is mainly due to:
 - Effective digital marketing;
 - Introduction of new products on our Mobile App, e.g. investment products;
 - Simplified onboarding.

Retail Banking:

Objective: Sustain rapid and cost efficient profit growth

Results:

- ❖ Retail Deposits: 18% YoY growth to N866bn.
- ❖ Retail risks assets: 30% YoY growth to N300bn.
- ❖ Retail PBT: 31% YoY growth to N3.8bn.
- ❖ Customer strength: 14% YoY growth to 8.5 million¹.

Investment Management

Objective: Leverage groups customer base and distribution to grow capital efficient earnings.

Results:

- ❖ 23% YoY increase in PBT.
- ❖ Accounted for 14% of total Group PBT (vs. 9% in 1Q20 and 4Q20).
- ❖ 16% YoY growth in AUM from N427.1bn to N495.7bn.

Corporate & Investment Banking

Objective: Grow wallet share of corporate clients by providing investment banking and transaction banking solutions (value chain financing and technology enabled payment solutions).

Results:

- ❖ 6% YoY increase in PBT.
- ❖ 29% YoY increase in Total Assets.
- ❖ 12% YoY increase in Net Interest Income.
- ❖ 1% YoY decline in Non Interest Income.

Notes:

1. This figure includes total customer numbers for the Bank; active Easy Account holders; Credit Direct Ltd customers and total no. of RSAs with FCMB Pensions Ltd.



1Q21 Results Overview: FCMB Group Plc

Mr. Kayode Adewuyi: Chief Financial
Officer - FCMB Group Plc



Group Performance Highlights: Overall 1Q21 performance dipped because of lower yields on earning assets, reduced revaluation gains and dip in FX income. However, fees & commission income, retail lending and loan recovery all improved during the quarter and are expected to gather momentum

Performance Index		1Q20	4Q20	1Q21	%Δ QoQ	%Δ YoY
Operating	Return on Average Equity	9.3%	10.7%	6.3%	-40.8%	-31.4%
	Return on Average Assets	1.1%	1.2%	0.7%	-44.1%	-34.7%
	Loan/Deposit Ratio	76.1%	66.0%	67.8%	2.8%	-10.9%
	Loan/Funding Ratio	56.2%	51.2%	53.0%	3.5%	-5.7%
	Cost/Income Ratio	71.2%	55.1%	79.5%	44.2%	11.7%
	Net Interest Margin	7.8%	8.1%	7.1%	-13.1%	-9.5%
	NPL/Total Loans	3.5%	3.3%	3.2%	-1.6%	-8.8%
	Coverage Ratio ¹	167.0%	177.3%	178.9%	0.9%	7.1%
	NII/Operating Income	17.4%	32.2%	27.8%	-13.9%	59.2%
	Financial Leverage	8.8	8.9	0.9	-90.0%	-89.8%
	Cost of Risk	1.7%	1.7%	1.1%	-31.3%	-34.6%
	AUM (N'B)	427.1	495.2	495.7	0.0%	16.1%
Capital & Liquidity	Capital Adequacy Ratio	17.0%	17.7%	16.5%	-6.8%	-3.0%
	Liquidity Ratio	36.0%	34.2%	33.5%	-2.1%	-7.0%
Investment	Share Price	1.55	3.33	2.90	-12.9%	87.1%
	NAV(N'B)	205.5	227.1	229.1	0.9%	11.5%
	EPS (Kobo)	23.76	27.92	18.04	-35.4%	-24.1%
Others	Opex (N'B)	22.6	18.5	23.4	26.5%	3.4%
	Risk Assets (net) (N'B)	764.3	822.8	886.1	7.7%	15.9%
	Customer Deposits (N'B)	1,003.9	1,257.1	1,324.4	5.3%	31.9%

Note:

1. Inclusive of regulatory risk reserve

Group Statements of Comprehensive Income: PBT dropped 22% YoY due to a decrease in Net Interest Income and FX Income. OPEX increased slightly by 3% due to increase in regulatory charges and inflationary pressures. However, impairment charges dropped significantly by 51%.

N'm	1Q20	4Q20	1Q21	%Δ QoQ	%Δ YoY
Revenue	49,195	53,014	43,190	-18.5%	-12.2%
Interest Income	38,333	38,925	33,029	-15.1%	-13.8%
Interest Expense	(15,217)	(16,220)	(11,801)	-27.2%	-22.4%
Net Interest Income	23,116	22,705	21,228	-6.5%	-8.2%
Non Interest Income	8,628	10,806	8,161	-24.5%	-5.4%
- Net Fees & Commissions	5,050	4,646	5,658	21.8%	12.0%
- Trading Income	1,885	1,376	1,540	11.9%	-18.3%
- FX Income	1,424	5,565	799	-85.6%	-43.9%
- Others	268	(780)	164	121.0%	-39.0%
Operating Income	31,744	33,511	29,389	-12.3%	-7.4%
Operating Expenses	(22,595)	(18,476)	(23,369)	26.5%	3.4%
Net impairment loss on financial assets	(3,670)	(8,966)	(1,794)	-80.0%	-51.1%
Net gains/(losses) from fin. instruments at fair value	(45)	(7)	0	-100.0%	-100.0%
PBT	5,434	6,062	4,226	-30.3%	-22.2%
PAT	4,722	5,707	3,572	-37.4%	-24.4%

Business Groups' Contribution to Profitability: Investment Management and CIB showed improvement year on year. Investment Management's profit is increasing as well as its contribution to Group PBT.

N'm	1Q20	4Q20	1Q21	%Δ QoQ	%Δ YoY	1Q21 % Contribution to Group PBT
Commercial & Retail Banking¹	5,781	5,070	4,512	-11.0%	-22.0%	106.8%
Corporate & Investment Banking²	(1,044)	162	(985)	-708.0%	-5.7%	-23.3%
Investment Management³	474	564	582	3.2%	22.8%	13.8%
FCMB Group Plc (Separate)	222	266	118	-56.0%	-47.5%	2.8%
FCMB Group Plc (consolidated)	5,434	6,062	4,226	30.3%	-22.2%	100%

Notes:

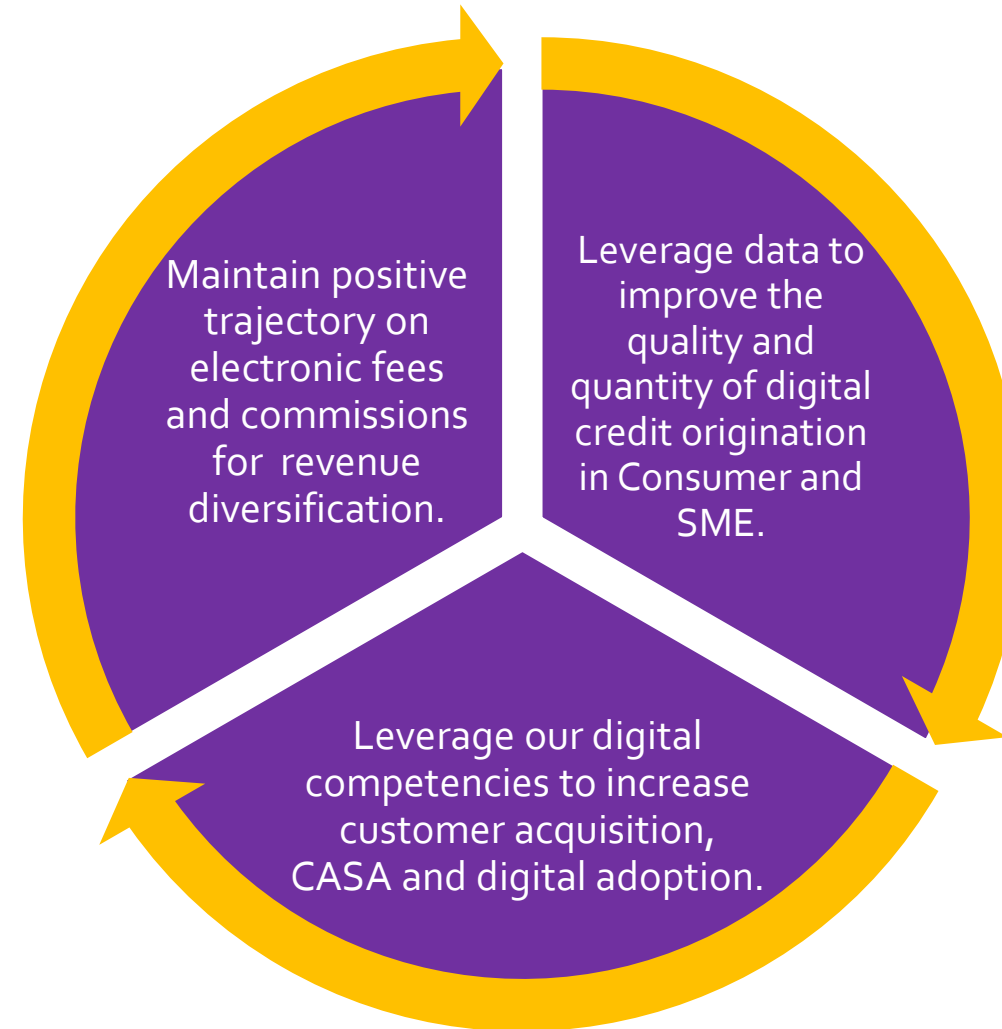
1. Includes FCMB Bank Ltd (and its subsidiary, FCMB (UK) Ltd); FCMB Microfinance Bank Ltd, Credit Direct Ltd.
2. Includes the Corporate Banking Division of the Bank, CSL Stockbrokers and FCMB Capital Markets Ltd.
3. Includes FCMB Pensions Ltd; FCMB Asset Management Ltd and FCMB Trustees Ltd.

Group Performance Review: Commercial & Retail Banking

Mrs. Yemisi Edun:
Acting Managing Director
FCMB Ltd



These are our 2021 Retail and SME banking priorities to improve the digitisation of our products and services across payments, remittances, customer acquisition, consumer and SME lending:



Personal Banking

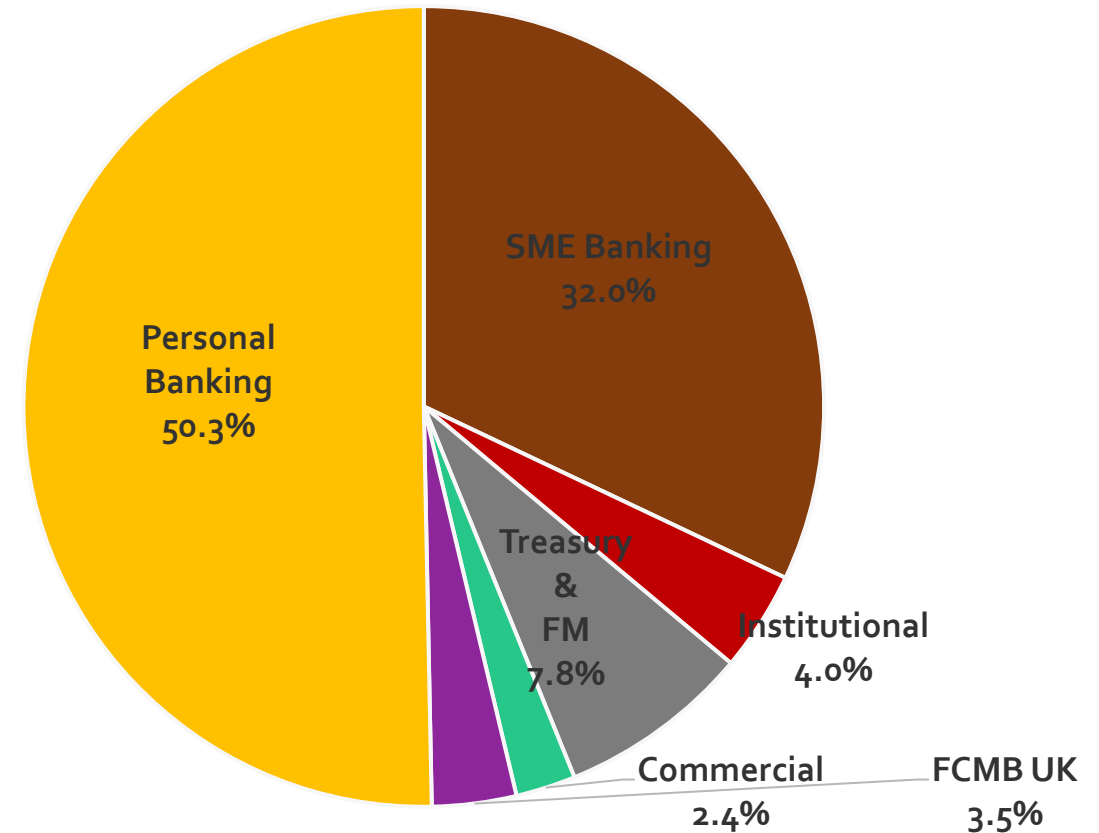
- Personal Banking contributed 50.3% (a 9% QoQ growth), as we remain on course with our strategy of using innovation and technology to increase retail transactions.
- The segment has a strong deposit base with a stable liability mix, which has positioned the business for sustainable growth and profitability.
- We have also seen the acceptance of our innovative propositions, designed with a “Customer First” approach and digital agility.
- We will continue to use product innovation and technology to grow transaction volumes, improve cost efficiencies and enhance customer experience.

SME Banking

- Contributed 32% to net revenue, driven mainly by growth in net interest income.
- Growth is supported by the automation of the SME lending platform.

Commercial Banking

- Contributed 2.4% to net revenue.



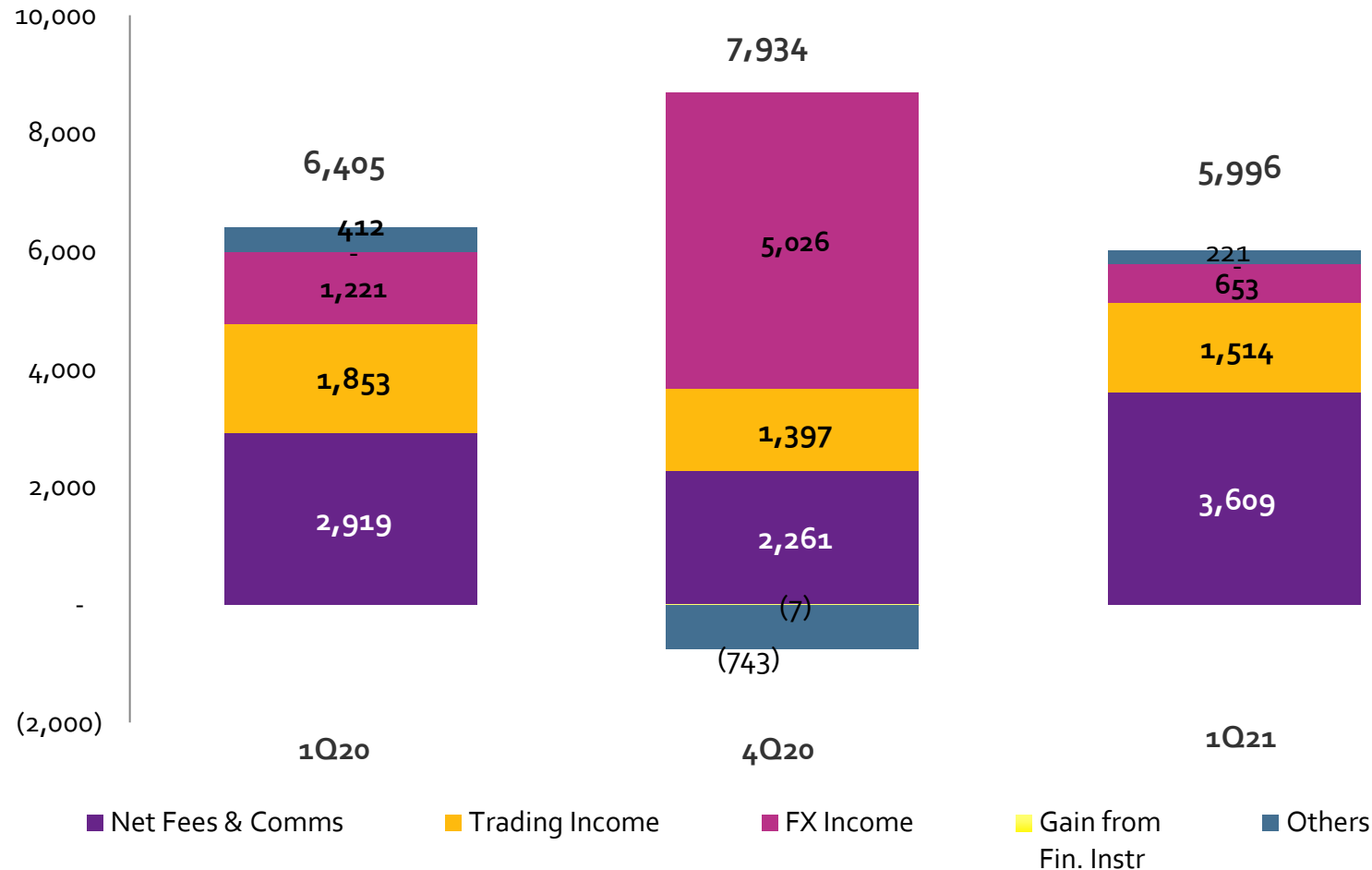
Institutional Banking

- Contributed 4% to net revenue.

- FCMB UK Limited contributed 3.5% to net revenue.

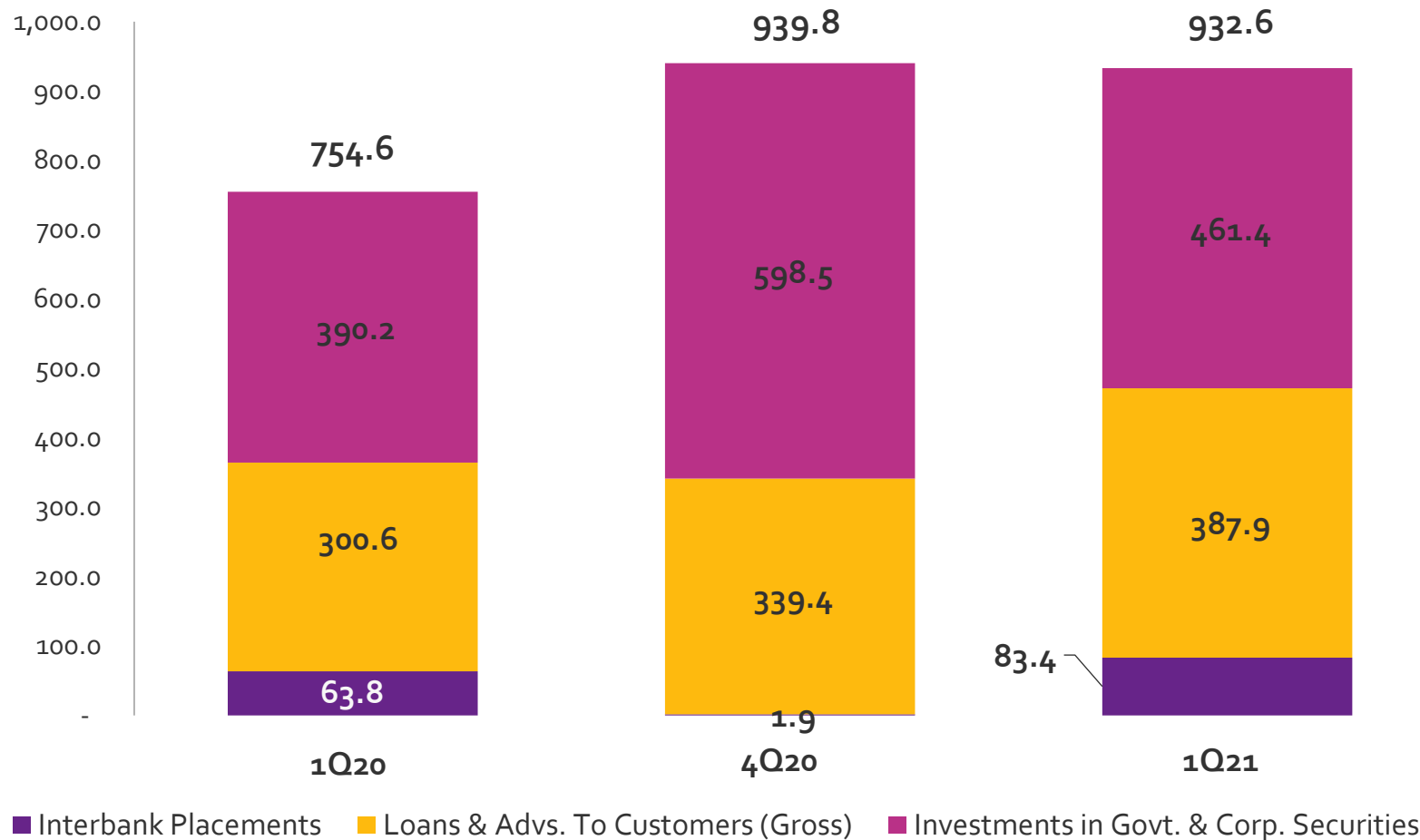
N'm	1Q20	4Q20	1Q21	%Δ QoQ	%Δ YoY
Revenue	33,168	39,629	27,893	-29.6%	-15.9%
Net Interest Income	24,591	29,913	21,977	-26.5%	-10.6%
Non-Interest Income	6,405	7,934	5,996	-24.4%	-6.4%
Net impairment loss on financial assets	(1,855)	(6,539)	(3)	-100.0%	-99.9%
Operating Expenses	(18,550)	(16,142)	(19,017)	17.8%	2.5%
PBT	5,781	5,070	4,535	-10.5%	-21.5%
Risk Assets (gross) (N'B)	300,633	339,456	387,860	14.3%	29.0%
Customer Deposits (N'B)	849,984	1,053,404	1,096,770	4.1%	29.0%

- PBT declined 10.5% QoQ and 21.5% YoY due to decrease in Net Interest Income and Non-Interest Income as well as increase in operating expenses.
- Net Interest Income declined 26.5% QoQ and 10.6% YoY as a result of low interest rate regime.
- Non-Interest Income decreased 24.4% QoQ and 6.4% YoY attributable to decrease in securities and FX trading gain as well as reduction in FX revaluation gain.
- Operating expenses increased 17.8% QoQ and 2.5% YoY. The QoQ increase was due to accrual of regulatory costs during the period.
- Risk Assets grew 14.3% QoQ and 29.0% YoY, Deposits also increased 4.1% QoQ and 29.0% YoY respectively.



N'm	%Δ QoQ	%Δ YoY
Non Interest Income	-24.4%	-6.4%
Net Fees & Commissions	59.6%	23.7%
Trading Income	8.4%	-18.3%
FX Income	-87.0%	-46.5%
Gain from Fin. Instr.	-100.0%	
Others	-129.7%	-46.4%

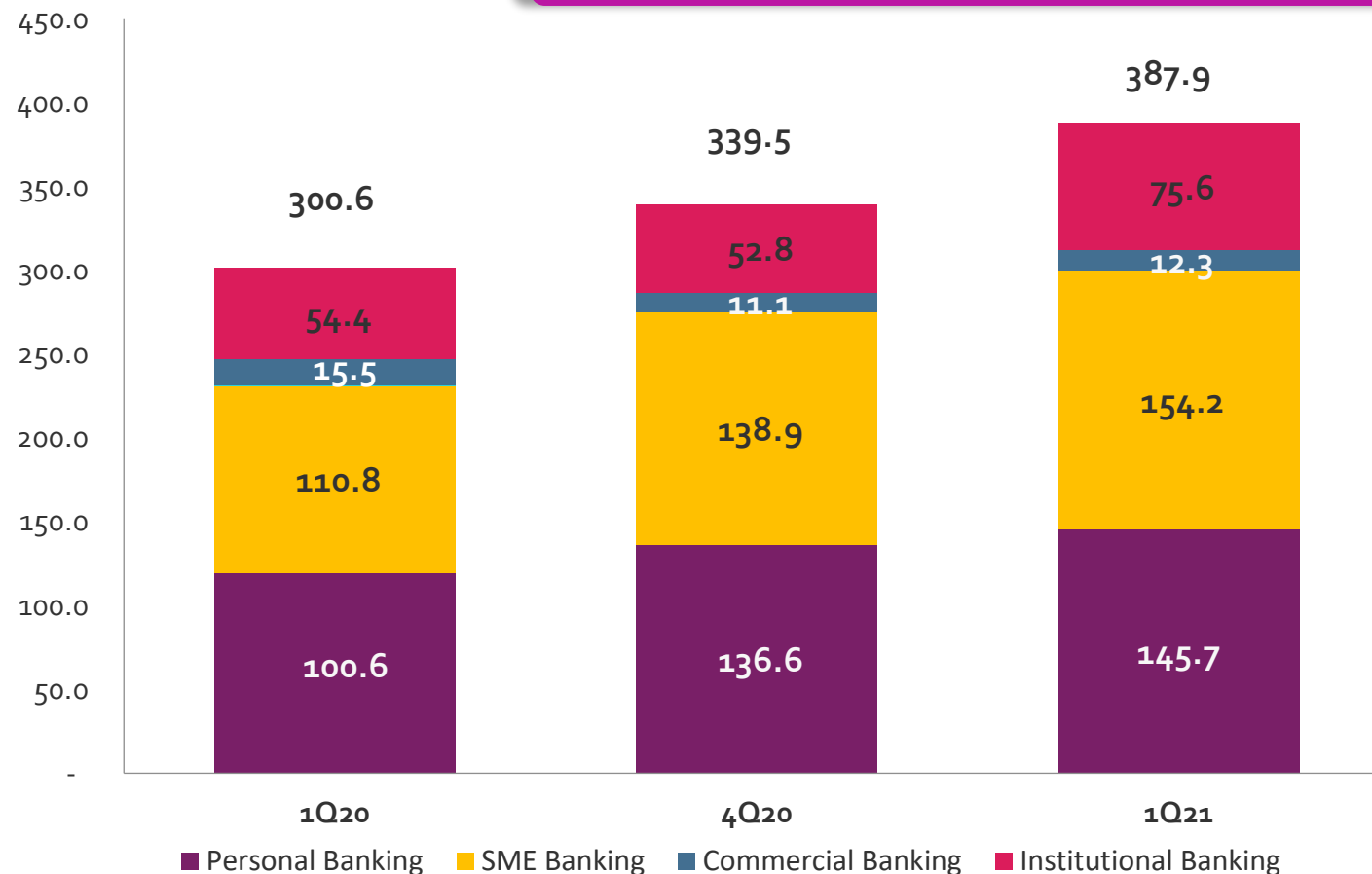
- Net fees and commissions increased 59.6% QoQ and 23.7% YoY, from growth in account maintenance charges, contingents and increased transaction volumes on our electronic banking platforms.
- Trading income increased 8.4% QoQ due to increase trading activities in government-backed securities. However, declined 18.3% YoY.
- FX income decreased 87% QoQ and 46.5% YoY due to minimum revaluation gains.



N'bn	% Δ QoQ	% Δ YoY
Interbank placements	4223.5%	30.8%
Loans and advances to customers (gross)	14.3%	29.0%
Investments in government & corporate securities	-22.9%	18.2%
Total Earning Assets	-0.8%	23.6%

- Total earning assets decreased by 0.8% QoQ. However, grew 23.6% YoY.
- Interbank placements grew 4223% QoQ and 30.8% YoY.
- Gross loans and advances grew 14.3% QoQ and 29% YoY. This represents 42% of total earning assets.
- Investments in government & corporate securities declined by 22.9% QoQ due to increase in CRR outflows, however, grew 18.2% YoY, from customer deposits.

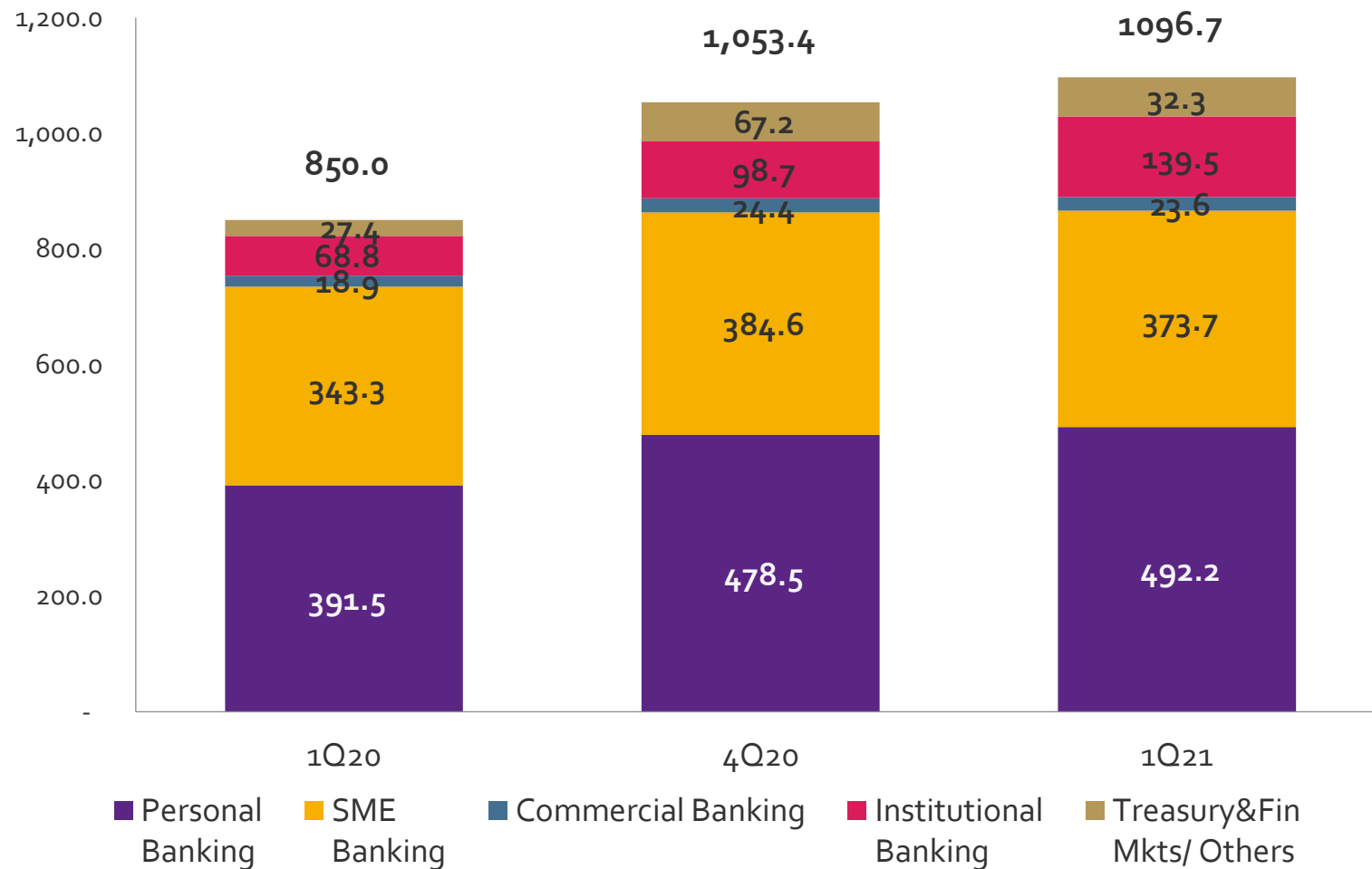
Gross Loans Distribution by Segment: 1Q20 vs. 4Q20 vs. 1Q21



Segment	% Δ QoQ	% Δ YoY
Personal Banking	6.7%	21.5%
SME Banking	11.0%	39.2%
Commercial Banking	10.6%	-20.4%
Institutional Banking	43.1%	38.9%
Total	14.3%	29.0%

- We've maintained our strategy on loan growth for 2021, hence we witnessed 14.3% growth QoQ across all segments and 29% growth YoY.
- Personal and SME banking remains a strategic focus area for growth.
- Plan for this year is to sustain quality loan growth across business segments driven through our focus sectors.

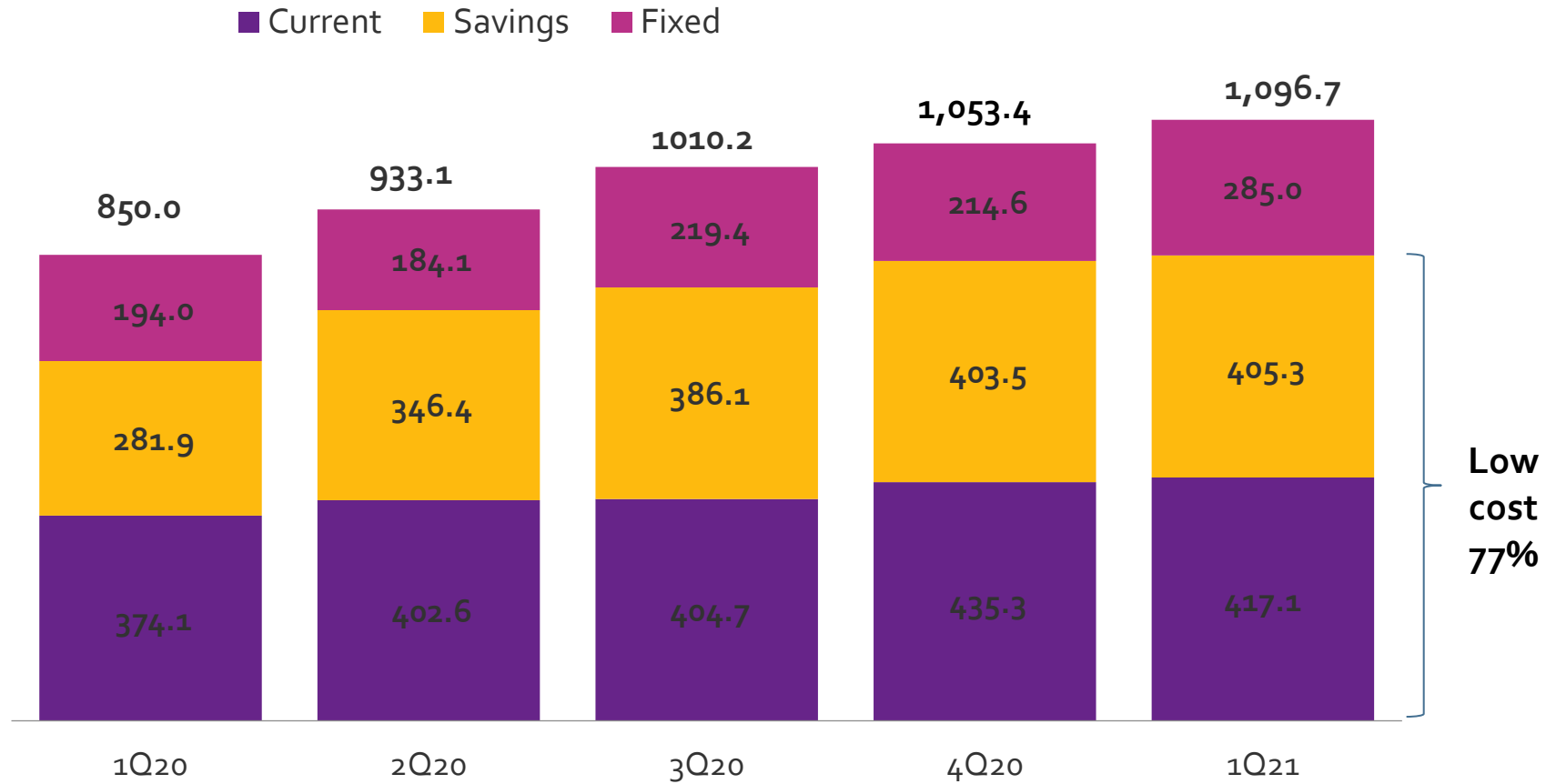
Deposits Distribution by Segment: 1Q20 vs. 4Q20 vs. 1Q21



Segment	% Δ QoQ	% Δ YoY
Personal Banking	3%	26%
SME Banking	-3%	9%
Commercial Banking	-3%	25%
Institutional Banking	41%	103%
Treasury & Financial Markets	1%	147%

- Retail (Personal and SME Banking) deposits which now constitutes about 79% of total deposits was flat QoQ and grew 18% YoY.

Deposits Distribution by Type: 1Q20 – 1Q21



- Total deposits rose 4% QoQ and 29% YoY, driven by CASA deposits, as a result of our sustained focus on retail banking.
- Low-cost deposits now account for 77% of our total deposits. Low-cost deposits remained flat YoY and dropped 3% QoQ.

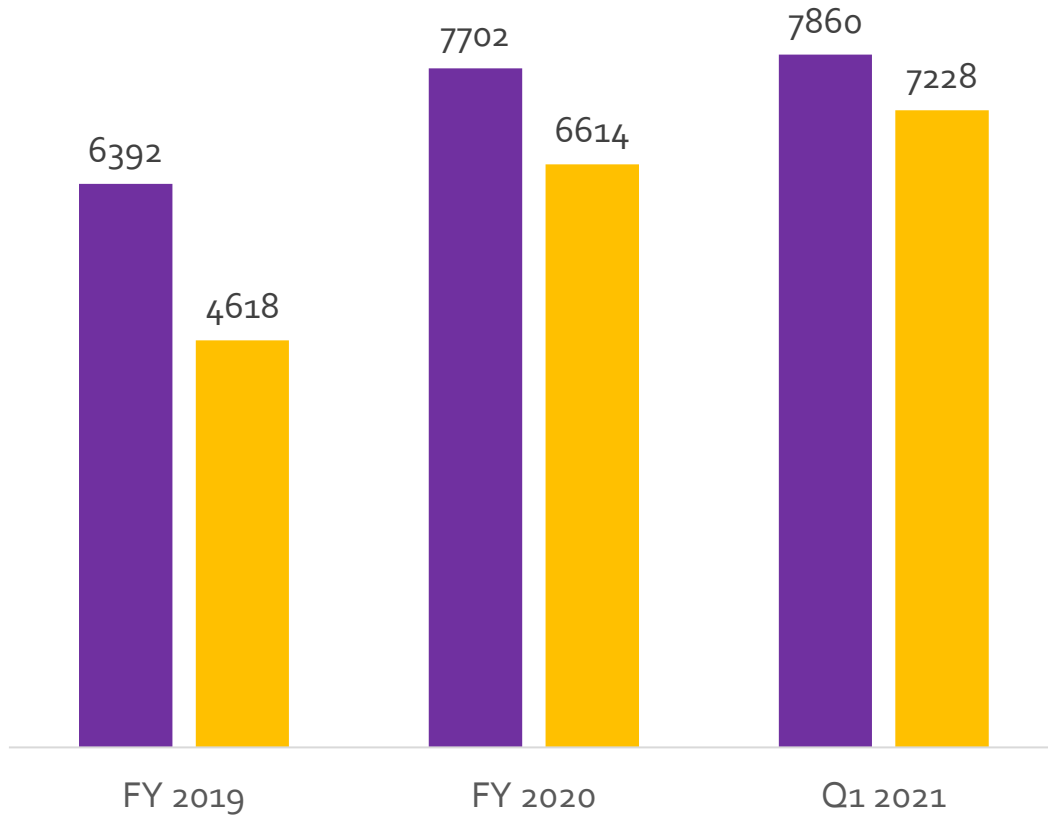


Segment	% Δ QoQ	% Δ YoY
Staff Costs	-23.4%	-6.6%
Depreciation & Amortisation	-24.5%	-9.3%
Operating	73.0%	9.2%
Total	17.8%	2.5%

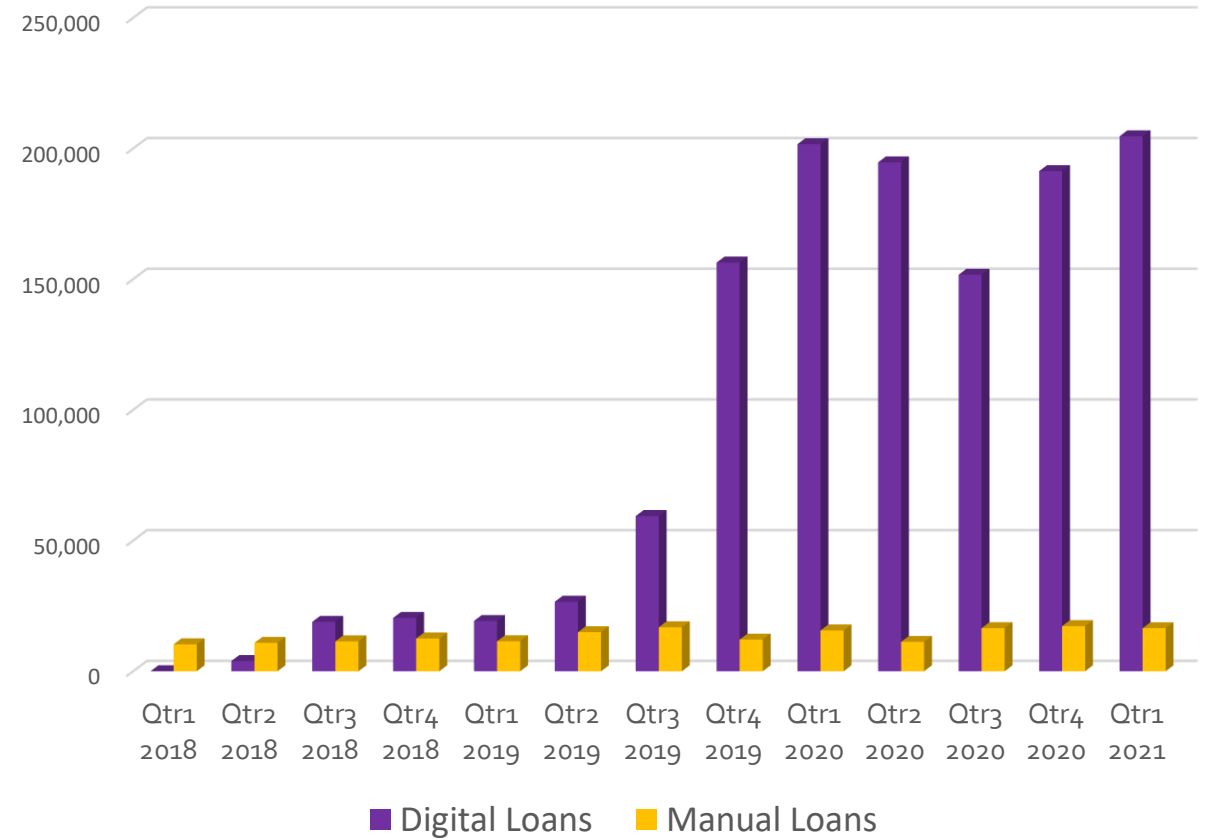
Operating expenses increased 17.8% QoQ and 2.5% YoY. The QoQ increase was due to accrual of regulatory costs during the period.

Digital Adoption - 1Q21

■ Total Customers ■ Customers on Digital Channels



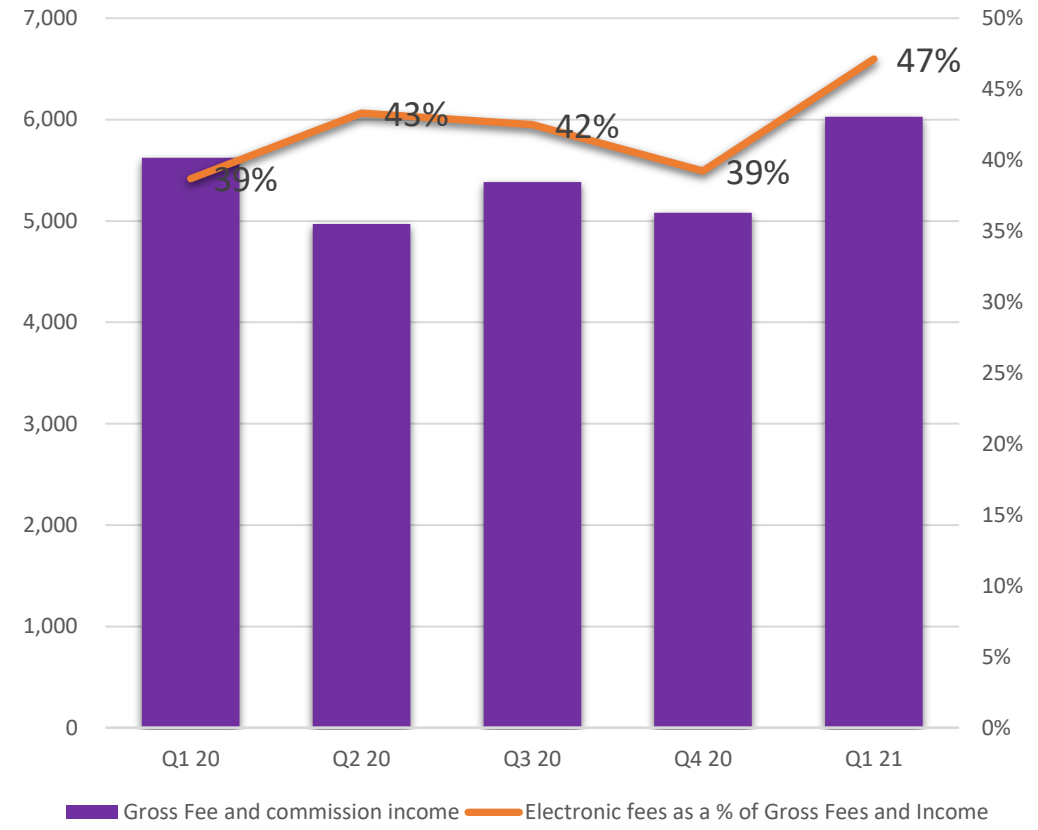
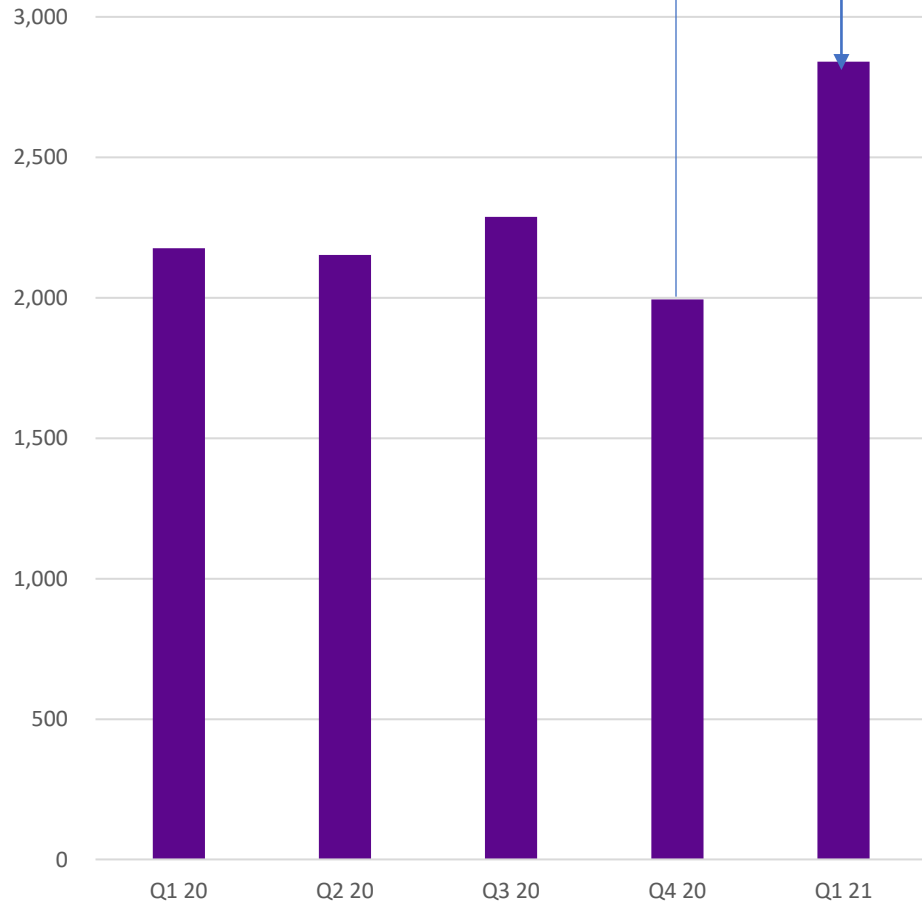
Digital Loans Volume



- Adoption rate on digital channels increased to 92% from 85% in 4Q20 with additional 600,000 new users onboarded in the quarter.

- Digital leadership position affirmed with more adoption and usage - 90% volume of retail loans were processed on digital channels during the period.

Electronic fees and commissions



- 42.5% QoQ and 30.5% YoY increase in electronic fees and commissions showing improved transaction volumes on our digital channels.
- Electronic fees and commissions contributed 47% to gross fees and commission; up from 39% in Q4-2021, showing strong commitment to using digital solutions to improve user experience.

Group Performance Review: Corporate & Investment Banking

Mr. Femi Badeji:
Executive Director
FCMB Group Plc



Total Assets
N680.8 million

29%

1Q20: N525.8 million

Operating Income
N4.5 billion

9%

1Q20: N4.1 billion

Loans
N525.8 billion

8%

1Q20: N488.5 billion

Deposits
N233.5 billion

46%

1Q20: 160.3 billion

PBT
N(985) million

6%

1Q20: N(1,044) million

CIR
83%

550bps

1Q20: 77.5%

ROaE
-5.0%

-90bps

1Q20: -5.9%

NPL Ratio
1.8%

40bps

1Q20: 1.4%

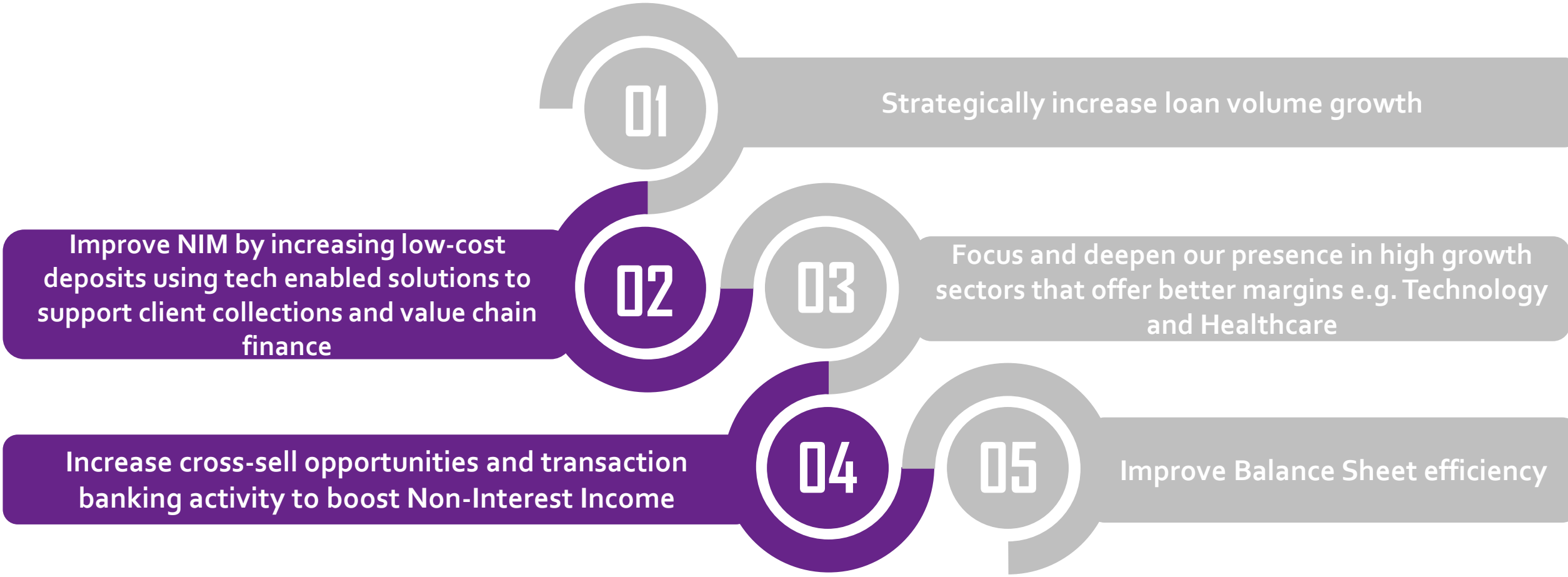
Corporate & Investment Banking (N'm)	1Q20	4Q20	1Q21	%Δ QoQ	%Δ YoY
Income Statement					
Net Interest Income	3,173	2,761	3,552	29%	12%
Non Interest Income	929	3,166	922	-71%	-1%
- Capital Raising/Advisory Fees	193	220	143	-35%	-26%
- Brokerage Commissions	99	1,605	196	-88%	98%
- Net Fees & Commissions	544	1,041	501	-52%	-8%
- Trading Income	30	4	24	445%	-21%
- FX Income	26	353	25	-93%	-4%
- Other Income	38	(57)	34	-160%	-9%
Operating Income	4,103	5,927	4,474	-25%	9%
Operating Expenses	(3,178)	(3,385)	(3,694)	9%	16%
Net impairment loss on financial assets	(1,969)	(2,379)	(1,765)	-26%	-10%
PBT	(1,044)	162	(985)	-707%	6%
PAT	(1,086)	171	(1,001)	-685%	8%
Balance Sheet					
Loans	488,527	498,830	525,806	5%	8%
Deposits	160,325	210,596	233,513	11%	46%
Key Selected Ratios					
CIR	77.5%	57.1%	83%	45%	7%
NPL	1.4%	1.8%	1.8%	-2%	27%
CASA	54%	68%	58%	-5%	56%

Comments

- CIB's PAT performance dropped significantly QoQ but improved 8% YoY. The QoQ drop was due to a 71% reduction in Non Interest Income.
- Net Interest Income increased 29% QoQ and 12% YoY driven by a reduction in cost of funds as well as improved yields on risk assets.
- Non-Interest Income dropped 71% QoQ largely due to an 88% decline in brokerage commission and the 52% drop in Net Fees & Commissions.
- Operating Income improved 9% YoY but declined 25% QoQ whilst Operating Expenses increased 16% YoY and 9% QoQ.
- Impairment charges dropped 26% and 10% QoQ and YoY respectively.
- Loans and deposits grew YoY and QoQ primarily due to increased customer activity as well as gains from FX revaluations with Net Loans increasing YoY by 8% to N526bn and Deposits increasing YoY by 46% to N234bn.
- Reduced Non-Interest Income and increased OPEX are primarily responsible for the QoQ drop in ROaE and ROaA. ROaE and ROaA though negative for the quarter improved YoY.
- NPLs decreased 2% QoQ, but increased 27% YoY due to delayed repayments on certain oil and gas downstream loans.
- CIR increased 45% QoQ and 7% YoY to end at 83% for 1Q21. The increment in CIR was largely due to 9% and 16% increment in OPEX QoQ and YoY respectively.



Corporate & Investment Banking ("CIB"): Rebuilding today for a better tomorrow



Risk Management Review

Mrs. Bimpe Odunuga
Head: Monitoring & MIS –
Risk Management: FCMB Ltd



Risk Management Review: Analysis of Gross Loans by Sector (Mar. 2020 to Mar. 2021) – N'm

Industry Sector	Mar. 20	Jun. 20	Sept. 20	Dec. 20	Mar. 21	% DISTR.
Agriculture	44,704	45,372	47,450	60,828	59,092	6.3%
Commerce	58,172	67,850	63,237	51,425	65,251	7.0%
Construction	1,151	1,042	1,004	414	1,003	0.1%
Education	1,594	2,278	2,246	2,606	2,575	0.3%
Finance & Insurance	65,931	72,578	66,473	67,692	74,780	8.0%
General – Others	10,470	8,401	10,456	9,798	12,578	1.3%
Government	11,988	11,343	9,539	10,714	22,217	2.4%
Individual - Bank	93,529	96,660	105,058	110,063	117,683	12.6%
Individual - CDL	24,526	23,995	23,177	24,244	25,601	2.7%
Individual - Microfinance	1,898	1,773	2,364	2,269	2,457	0.3%
Information & Communications	26,894	27,509	22,474	19,501	18,235	1.9%
Manufacturing	83,758	83,037	78,508	91,389	103,305	11.0%
Oil & Gas- Downstream	56,652	62,950	62,389	61,398	67,560	7.2%
Oil & Gas – Upstream	138,711	140,829	137,715	143,058	147,978	15.8%
Oil & Gas Services	44,863	45,958	46,899	46,910	47,934	5.1%
Power & Energy	52,240	56,517	60,297	61,414	61,148	6.5%
Professional Services	642	608	523	881	775	0.1%
Real Estate	83,515	86,946	98,565	99,068	99,940	10.7%
Transportation & Logistics	6,239	6,206	6,137	5,230	5,273	0.6%
Total	807,477	841,852	844,510	868,900	935,384	100%

7.7% growth QoQ was largely driven by growth in Commerce, Manufacturing, Government, Individual, Finance and Downstream and 15.8% growth YoY across most sectors.

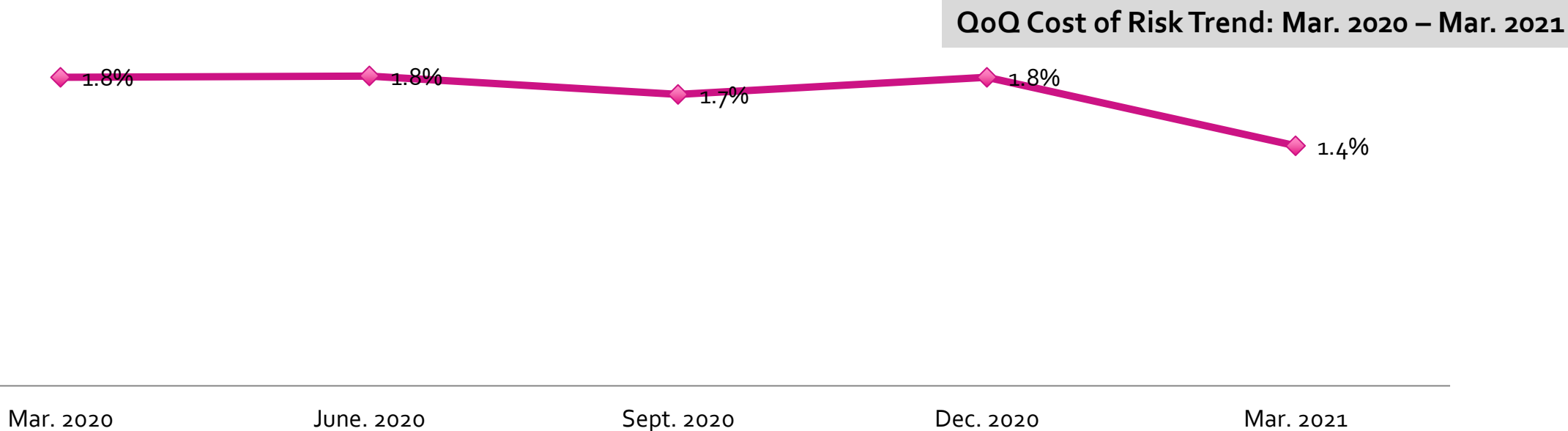
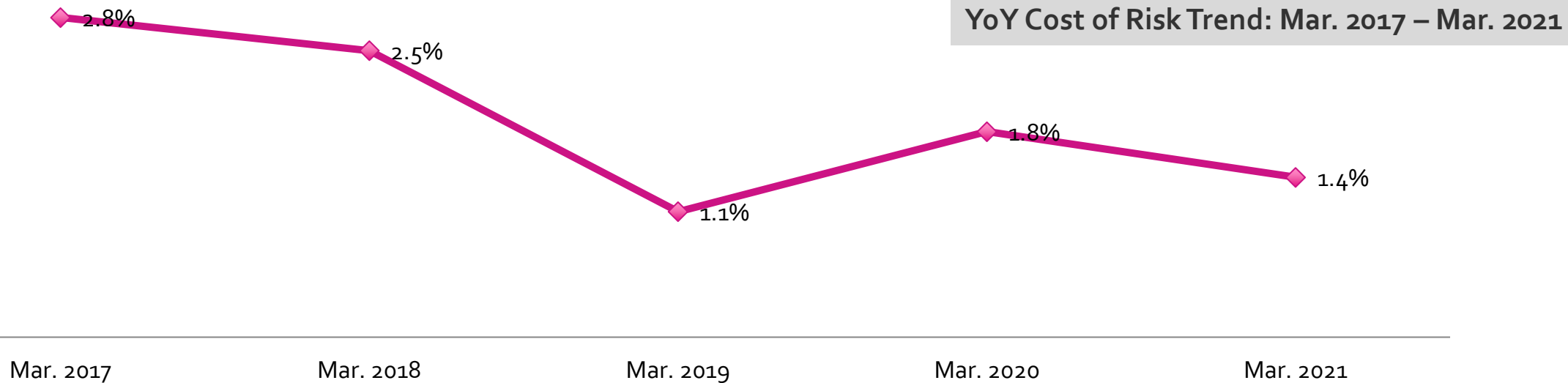
Risk Management Review: NPL Distribution by Sector (Mar. 2020 vs. Dec. 2020 vs. Mar. 2021) – N'm

BUSINESS SEGMENT	Mar. 2020		Dec. 2020		Mar. 2021	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	923.47	2.1%	760.63	1.3%	834.03	1.4%
Commerce	3,371.21	5.8%	3,573.54	6.9%	4,602.29	7.1%
Construction	7.88	0.7%	1.57	0.4%	0.00	0.0%
Education	76.80	4.8%	89.31	3.4%	71.06	2.8%
Finance & Insurance	1,204.98	1.8%	38.63	0.1%	38.04	0.1%
General – Others	389.59	3.7%	532.06	5.4%	381.54	3.0%
Government	0.93	0.0%	0.04	0.0%	0.04	0.0%
Individual - Bank	6,227.17	6.7%	5,842.47	5.3%	5,403.56	4.6%
Individual - CDL	1,692.46	6.9%	3,132.66	12.9%	3,791.64	14.8%
Individual - Microfinance	59.36	3.1%	84.25	3.7%	78.00	3.2%
Information & Communications	4,083.67	15.2%	1,660.66	8.5%	1,707.46	9.4%
Manufacturing	1,729.29	2.1%	152.80	0.2%	191.47	0.2%
Oil & Gas- Downstream	1,056.08	1.9%	5,739.03	9.3%	5,937.51	8.8%
Oil & Gas – Upstream	1,060.17	0.8%	977.25	0.7%	1,060.92	0.7%
Oil & Gas Services	0.01	0.0%	0.33	0.0%	0.35	0.0%
Power & Energy	-	0.0%	-	0.0%	-	0.0%
Professional Services	25.35	3.9%	27.00	3.1%	25.37	3.3%
Real Estate	6,652.26	8.0%	5,955.20	6.0%	6,161.72	6.2%
Transportation & Logistics	44.79	0.7%	0.03	0.0%	0.03	0.0%
Total	28,605.46	3.5%	28,567.45	3.3%	30,285.03	3.2%

6% QoQ growth in NPL is largely driven by slight deterioration in Commerce sector's loan book.

Risk Management Review: YoY & QoQ Cost of Risk Trend Analysis

0.4% improvement in Cost of risk QoQ and YoY driven by improved recovery and growth in quality risk asset.



Group Performance Review: Investment Management

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

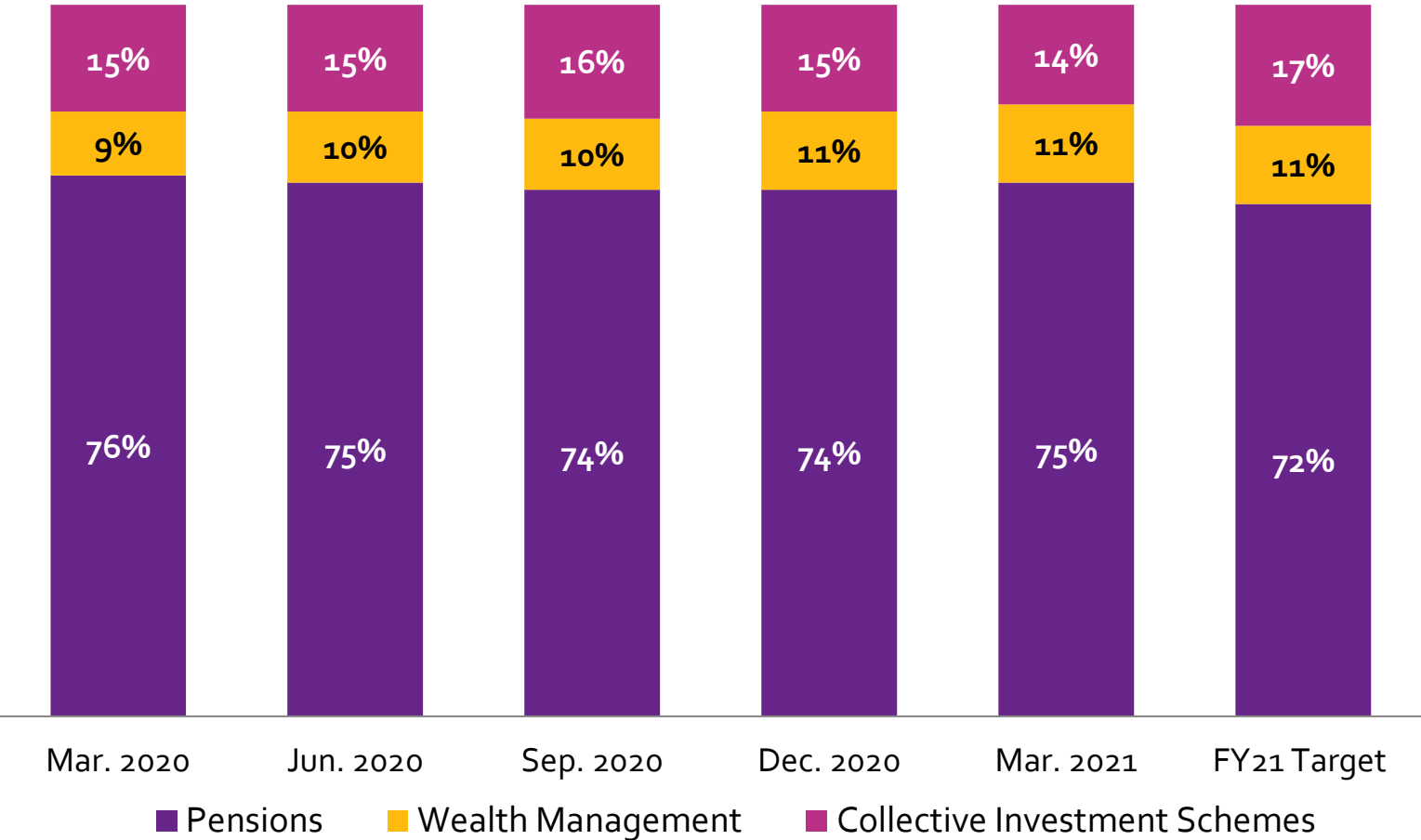


Investment Management Group	1Q20	4Q20	1Q21	%Δ QoQ	%Δ YoY
N'm					
Gross earnings	1,107	1,236	1,211	-2%	9%
Net Interest Income	51	31	26	-14%	-49%
Non-Interest Income	1,055	1,205	1,184	-2%	12%
– Advisory Fees	25	31	27	-12%	6%
– Brokerage Commission	19	8	20	156%	4%
– Asset Management Fees	998	1,106	1,124	2%	13%
– Others	12	60	13	-79%	7%
Operating Income	1,107	1,236	1,211	-2%	9%
Operating Expenses	(632)	(670)	(628)	-6%	-1%
Net gains/(losses) from fin. instruments at fair value	0	(2)	0	-100%	0%
PBT	474	564	582	3%	23%
PAT	336	359	412	15%	23%
AUM	427,117	495,220	495,697	0%	16%
ROAE	31%	30%	32%	4.8%	3%
CIR	57%	54%	52%	-4%	-9%

Comments

- Assets Under Management grew by 16% year-on-year, to N496 billion. Investment return on Pension funds grew by N3.4 billion quarter-on-quarter, whilst Net flows fell by N3 billion (a redemption of N10.7bn by a discretionary portfolio client resulted in a Net Outflow, during the quarter);
- Our Pensions business contributed 75% of 1Q21 AUM, compared with 74% of AUM, in 2020;
- The number of Retirement Savings Accounts grew by 1.22% quarter-on-quarter, to 456,450. Registrations via our digital Platform accounted for 50% of the increase;
- Cost-to-Income Ratio dropped by 9% year-on-year, driven by lower staff, depreciation, transport and travel costs.

Investment Management Group - Contribution to AUM



Comments

- We forecast a 10% year-on-year increase in the Group’s full year AUM, to N543 billion. On the AllCO Pension Managers Ltd acquisition, the primary industry regulator requested a few changes to the deal structure. These changes have been made, and we now expect to receive final approval in May;
- Retirement Savings Accounts registration via our online Platform is expected to maintain its 1Q21 trend of 50% of the increase in new RSAs, for the rest of the year;
- Contribution to AUM from Collective Investment Schemes and Wealth Management should account for 28% of total year-end AUM, up from 26% at the end of the last quarter;
- Full year PBT is projected to increase by 18%, to N2.4 billion, with our Pensions business contributing 62% of the total.

Our Investment Management Group is divided into Pensions, Wealth Management and Collective Investment Schemes

Outlook

Mr. Ladi Balogun:
Group Chief Executive
FCMB Group Plc



Expecting a stronger and more sustainable performance in remaining quarters driven by:

- ❖ Rising interest rates positive for asset yields.
- ❖ Double digit risk asset growth with ~ 50% retail mix to support NIMs and lower capital utilisation.
- ❖ Customer acquisition and corporate transaction banking driving low cost deposit growth.
- ❖ Growing more sustainable revenue from fees and commissions and digital lending to replace about 75% of volatile earnings from the prior year.
- ❖ Steady profit growth from asset management.
- ❖ Stable cost of risk.
- ❖ <5% expense growth driven by rising regulatory costs (e.g. AMCON charges), moderated by ongoing digital transformation