



FCMB Group Plc

**Investors & Analysts
Presentation**

HY 2021

3 August 2021

AGENDA

01.

Introduction

02.

HY 2021 Results Overview

03.

**Commercial & Retail Banking:
*Performance Review***

04.

Corporate & Investment
Banking: *Performance Review*

06.

Risk Management Review

07.

Investment Management
Review

08.

Outlook

Our People: The Changing Face of Our Leaders



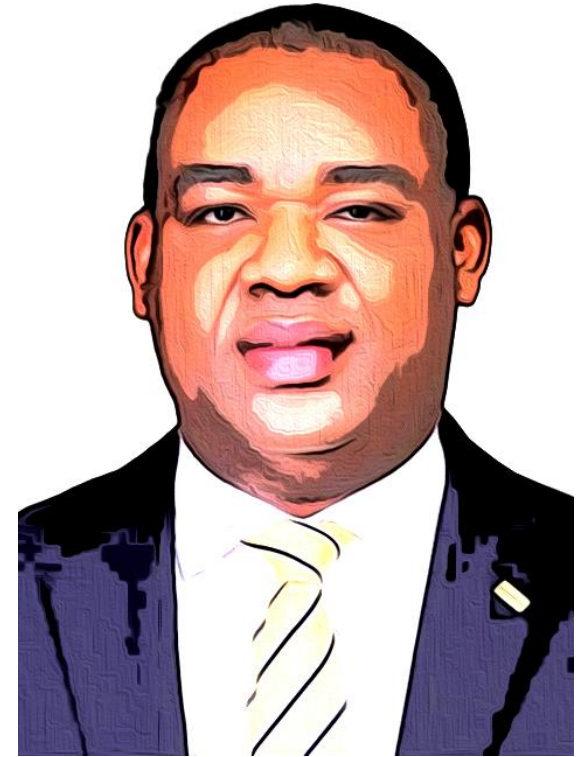
Mrs. Yemisi Edun

**Managing Director:
FCMB Ltd**



Mrs. Toyin Olaiya

**Executive Director/
Chief Risk Officer
(FCMB Ltd)**

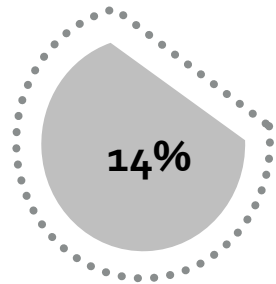


Mr. Gbolahan Joshua

**Executive Director²/
Chief Operating Officer
FCMB GROUP Plc**

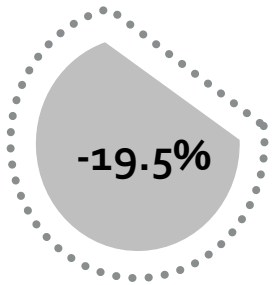
HY21 Results Highlights

Total Assets
N2.24 trillion



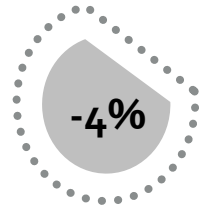
HY20: N1.97 trillion

Profit before Tax
N8.9 billion



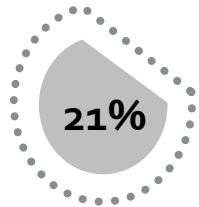
HY20: N11.1 billion

Gross Earnings
N94.2 billion



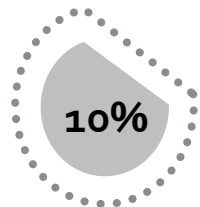
HY20: N98.2 billion

Deposits
N1.34 trillion



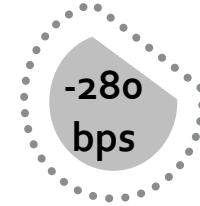
HY20: N1.11 trillion

Assets Under Management
N500.0 billion



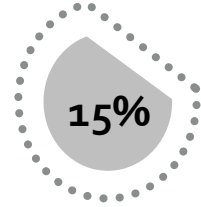
HY20: N455.0 billion

Return on Average Equity
6.6%



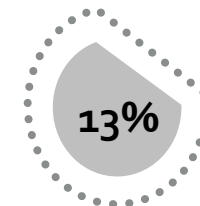
HY20: 9.4%

Loans
N916.7 billion



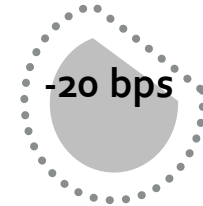
HY20: N794.6 billion

Customers
8.7 million



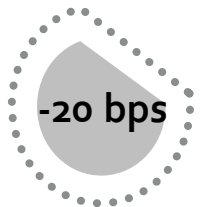
HY20: 7.7 million

Capital Adequacy
17.1%



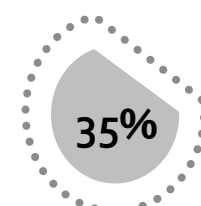
HY20: 17.3%

Non-Performing Loans
3.3%



HY20: 3.5%

Digital Customers
7.2 million



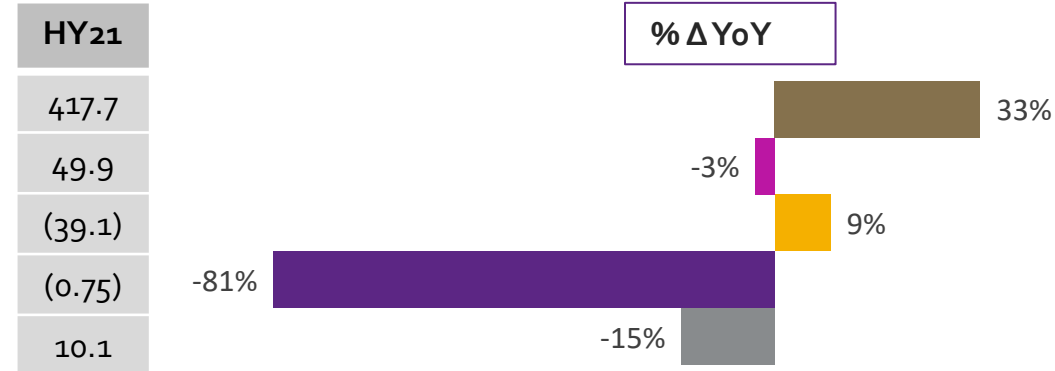
HY20: 5.3 million



Snapshot of Group of Companies' HY21 Performance

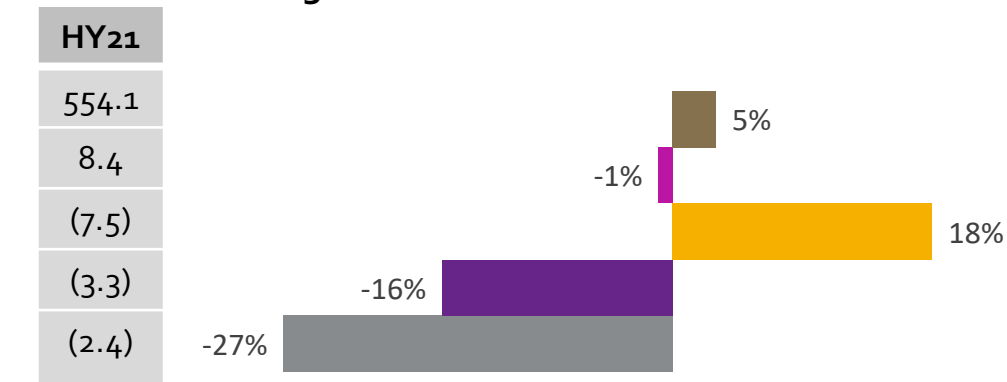
Objective: Sustain efficient profit growth through technological innovation.

Commercial & Retail Banking	
Gross Loans	417.7
Operating Income	49.9
Operating Expenses	(39.1)
Net impairment loss on financial assets	(0.75)
PBT	10.1



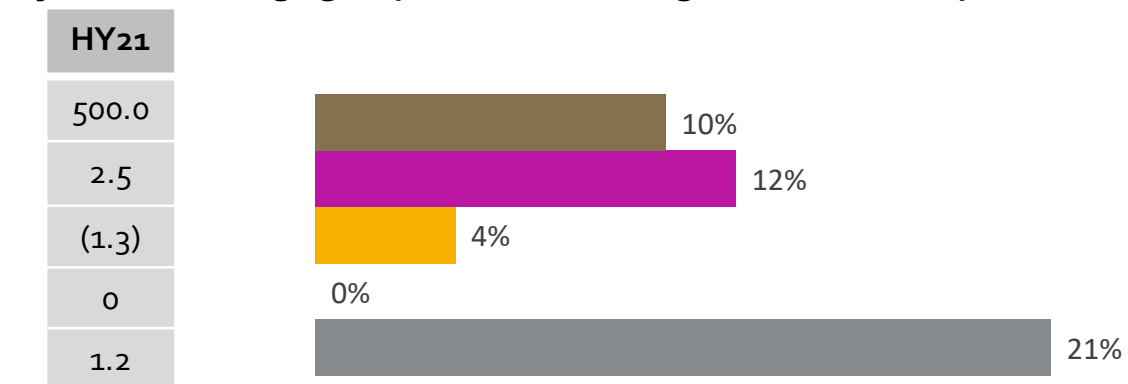
Objective: Return to profitability by growing wallet share of corporate clients via transaction and investment banking solutions.

Corporate & Investment Banking	
Gross Loans	554.1
Operating Income	8.4
Operating Expenses	(7.5)
Net impairment loss on financial assets	(3.3)
PBT	(2.4)



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

Investment Management	
AUM	500.0
Operating Income	2.5
Operating Expenses	(1.3)
Net impairment loss on financial assets	0
PBT	1.2



Our Focus on 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 57% QoQ and 98% YoY. Revenue increased 29% QoQ to Ng19.8 million (2Q21) and 101% YoY to N1.6 billion for HY21. These positive trends are reflective of the increasing stability of our digital platform and the increase in our digital banking transactions.



❖ 29% QoQ and 172% YoY growth in digital loans in both Personal banking and SME segments.



❖ **7.2m digital customers – up 35% YoY** from 5.3 million (June 2020). Growth is mainly due to:

- Effective digital marketing; and
- Simplified onboarding.



The plan is to merge FCMB Pensions and AllCO Pensions to derive the value from the transaction

Diversification	<p>AllCO's strength is positioned more towards the private sector (and the South) and will complement FCMB's strength in the public sector (and the North).</p> <p>Also improves the mix of funds between RSA funds and approved schemes predating 2004, in the combined entity.</p>
Synergies	<p>Target revenue and cost synergies of over N1 billion will boost profitability in the combined entity.</p>
Increased scale	<p>Larger size improves scale and market position. Scale improves operational efficiency and profitability.</p>
Improved market position	<p>Combined entity will be 6th largest PFA by AUM, better positioning it for further consolidation in the pension management industry.</p>

Stake acquired	60%
Value of shares purchased	N6.78 billion
Implied equity value	N11.30 billion
Assets under management (Jun 2020)	N146.93 billion
Profit before tax (Jun 2020)	N119 million



HY21 Results Overview: FCMB Group Plc

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

Group Performance Highlights

Overall 2Q21 performance improved QoQ but dipped YoY. The YoY dip is as a result of lower net interest margins, reduced trading income and dip in FX income. However, fees & commission income, and loan recovery improved YoY.

Performance Index		1Q21	2Q21	%Δ QoQ	HY20	HY21	%Δ YoY
Operating	Return on Average Equity	6.3%	7.1%	12.7%	9.4%	6.6%	-29.8%
	Return on Average Assets	0.7%	0.8%	14.3%	1.1%	0.7%	-36.4%
	Loan/Deposit Ratio	67.8%	70.0%	3.2%	71.6%	70.0%	-2.2%
	Loan/Funding Ratio	53.0%	53.3%	0.6%	52.6%	53.3%	1.3%
	Cost/Income Ratio	79.5%	78.1%	-1.8%	70.3%	78.8%	12.1%
	Net Interest Margin	7.1%	6.8%	-4.2%	8.0%	6.7%	-16.3%
	NPL/Total Loans	3.2%	3.3%	3.1%	3.5%	3.3%	-5.7%
	Coverage Ratio ¹	178.9%	171.5%	-4.1%	175.2%	171.5%	-2.1%
	NII/Operating Income	27.8%	30.9%	11.2%	27.8%	29.4%	5.8%
	Financial Leverage	89%	90%	1.1%	88%	90%	2.3%
	Cost of Risk	1.12%	1.11%	-0.9%	1.96%	1.11%	-43.4%
	AUM (N'B)	496.7	500.0	1%	455.0	500.0	9.9%
Capital & Liquidity	Capital Adequacy Ratio	17.8%	17.1%	-3.9%	17.3%	17.1%	-1.2%
	Liquidity Ratio	33.5%	35.7%	6.6%	32.2%	35.7%	10.9%
Investment	Share Price	2.90	3.35	15.5%	1.93	3.35	73.6%
	NAV(N'B)	229.14	234.5	2.3%	214.46	234.5	9.3%
	EPS (Kobo)	18.04	20.12	11.5%	49.0	38.16	-22.1%
	Opex (N'B)	23.4	24.6	5.1%	44.05	48.0	9.0%
Others	Risk Assets (net) (N'B)	886.1	916.7	3.5%	794.61	916.7	15.4%
	Customer Deposits (N'B)	1,324.4	1,338.5	1.1%	1,109.81	1,338.5	20.6%

Group Statements of Comprehensive Income

- PBT increased 11% QoQ but dropped 19.5% YoY due to a 5% decrease in Net Interest Income and 9% increase in OPEX.
- Net Interest Income increased 3% QoQ but declined 5% YoY due to a decline on net revenue from funds as a result of increased cost of funds.
- Operating expenses increased 5% and 9%, QoQ and YoY respectively, due to increased regulatory costs and general inflationary pressures.
- Impairment charges increased 24% QoQ but dropped 48% YoY due to improved loan recovery efforts.

N'm	1Q21	2Q21	%Δ QoQ	HY20	HY21	%Δ YoY
Gross Earnings	43,190	51,038	18.2%	98,179	94,228	-4.0%
Interest Income	33,029	39,642	20.0%	76,148	72,671	-4.6%
Interest Expense	-11,801	-17,871	51.4%	-30,769	-29,673	-3.6%
Net Interest Income	21,228	21,770	2.6%	45,379	42,998	-5.2%
Non-Interest Income	8,161	9,713	19.0%	17,517	17,875	2.0%
- Net Fees & Commissions	5,658	7,276	28.6%	9,688	12,934	33.5%
- Trading Income	1,540	1,099	-28.7%	3,926	2,639	-32.8%
- FX Income	799	531	-33.5%	3,301	1,331	-59.7%
- Others	164	808	393.3%	603	971	61.2%
Operating Income	29,389	31,484	7.1%	62,895	60,872	-3.2%
Operating Expenses	-23,369	-24,584	5.2%	-44,053	-47,953	8.9%
Net impairment loss on financial assets	-1,794	-2,215	23.5%	-7,742	-4,009	-48.2%
Net gains/(losses) from fin. instruments at fair value	0	0	n/a	-30	0	n/a
PBT	4,226	4,685	10.9%	11,071	8,911	-19.5%
PAT	3,572	3,985	11.6%	9,701	7,557	-22.1%

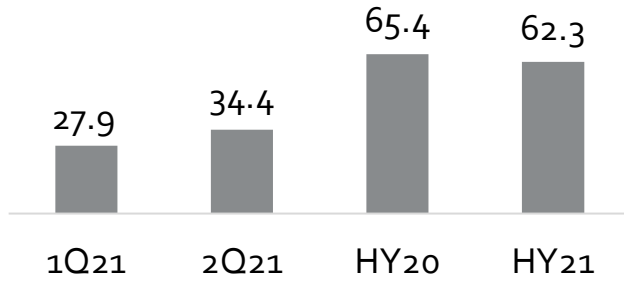


Group Performance Review: Commercial & Retail Banking

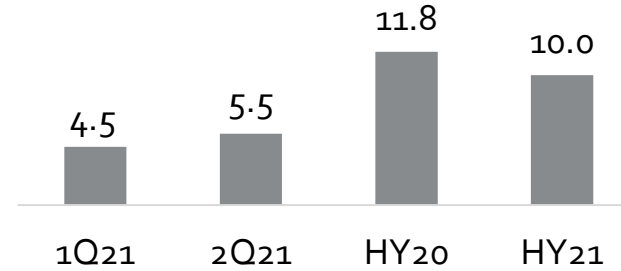
Mrs. Yemisi Edun: Managing Director - FCMB Ltd

Commercial & Retail Banking: HY21 Key Metrics

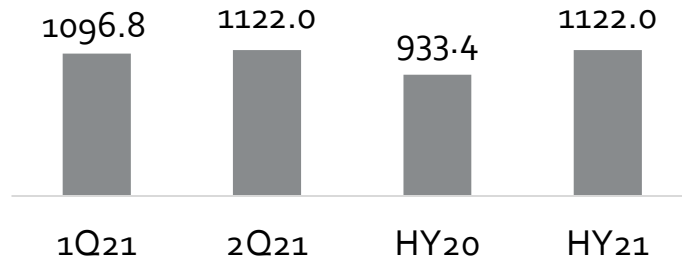
Revenue (N'bn)



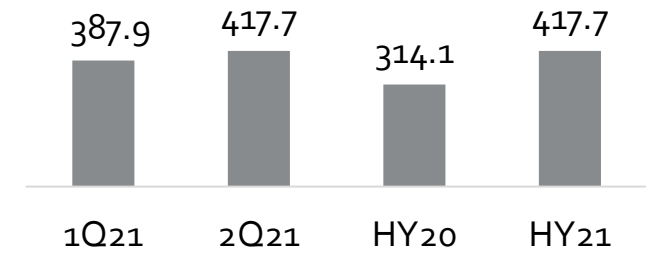
Profit before Tax (N'bn)



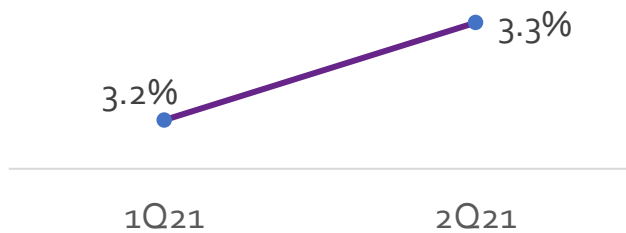
Deposits (N'bn)



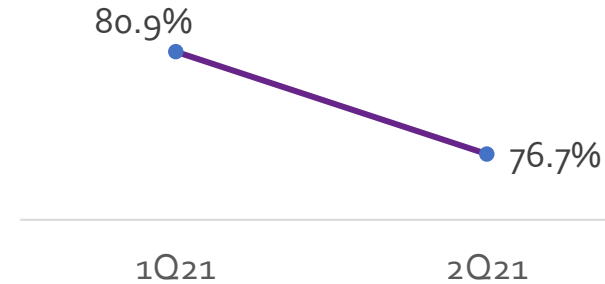
Loans (N'bn)



NPL Ratio



CIR



Commercial & Retail Banking: Financial Analysis - 1Q21 vs. 2Q21 and HY20 vs. HY21

- PBT improved 21.6% QoQ due to 7.1% and 25.3% increases in Net Interest Income and Non-Interest Income, respectively. However, PBT declined 14.8% YoY as result of a 5.9% decrease in net interest income as well as a 9% increase in operating expenses (regulatory costs).
- Net Interest Income increased 7.1% QoQ. However, declined 5.9% YoY as a result of high cost of funds and regulatory induced discretionary CRR debits.
- Non-Interest Income increased 25.3% QoQ and 5.4% YoY attributable to increase in fees and commissions due to an increase in transacting customers activities and alternate platform reliability.
- Operating expenses increased 5.5% QoQ and 9.0% YoY, largely due to increased regulatory costs, resumption of business operations, double-digit inflationary environment and currency devaluation.
- Risk Assets grew 7.7% QoQ and 33.0% YoY, Deposits also increased 2.3% QoQ and 20.0% YoY respectively.

	1Q21	2Q21	%Δ QoQ	HY20	HY21	%Δ YoY
Income Statement (N'm)						
Revenue	27,893	34,423	23.4%	65,388	62,316	-4.7%
Net Interest Income	17,559	18,812	7.1%	38,650	36,371	-5.9%
Non-Interest Income	5,996	7,511	25.3%	12,819	13,507	5.4%
Net impairment loss on financial assets	(3)	(743)	28536.6%	(3,827)	(745)	-80.5%
Operating Expenses	(19,017)	(20,064)	5.5%	(35,844)	(39,081)	9.0%
PBT	4,535	5,516	21.6%	11,798	10,051	-14.8%
Balance Sheet (N'B)						
Risk Assets (Gross)	387,860	417,714	7.7%	314,116	417,714	33%
Customer Deposits	1,096,770	1,121,985	2.3%	933,369	1,121,985	20%

Personal Banking

- Personal Banking contributed 52% (a 19% 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 continues to position the business for sustainable growth and profitability.
- We have also seen the growing 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 33% to net revenue, driven mainly by growth in net interest income.
- Growth is supported by the automation of the SME lending platform.

Treasury & Financial Markets

Contributed 5% to net revenue.

Institutional Banking

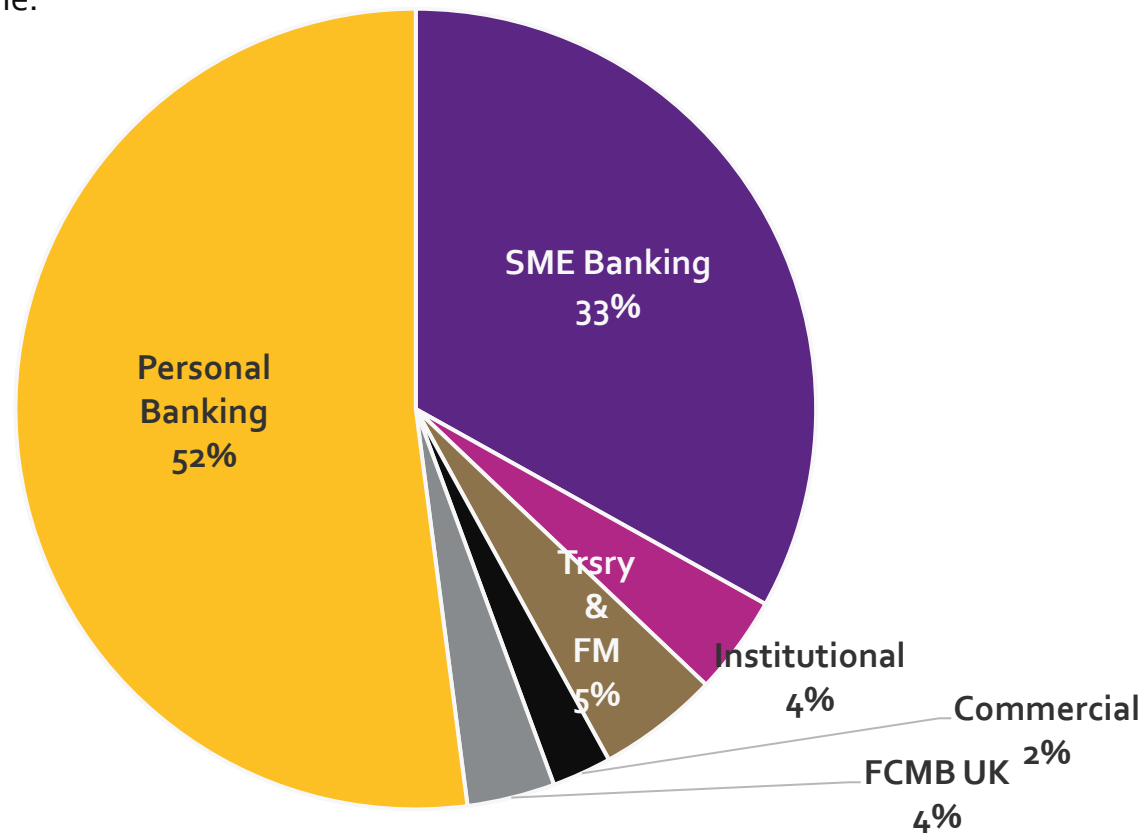
Contributed 4% to net revenue.

Commercial Banking

Contributed 2% to net revenue.

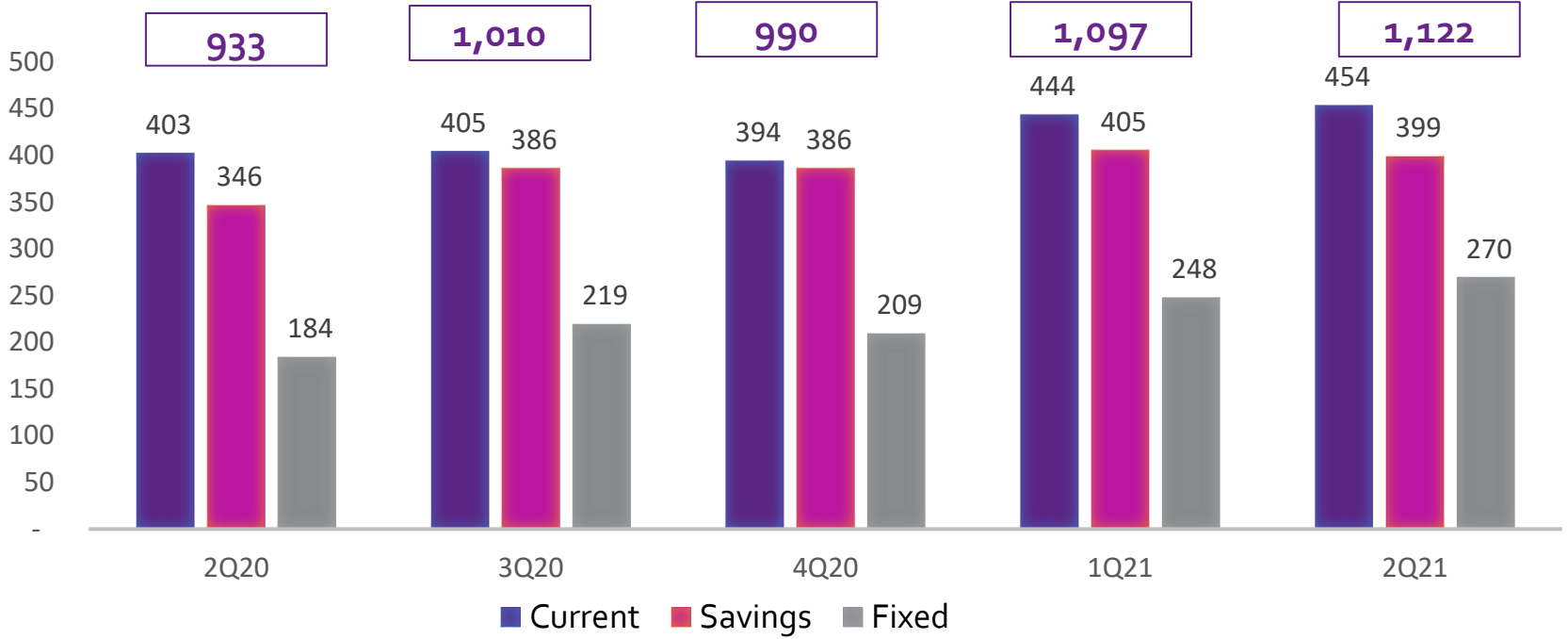
FCMB UK

FCMB UK Limited contributed 4% to net revenue.



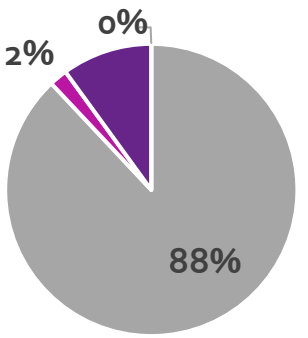
Deposits Trend Analysis

Customer Deposits (N'bn)



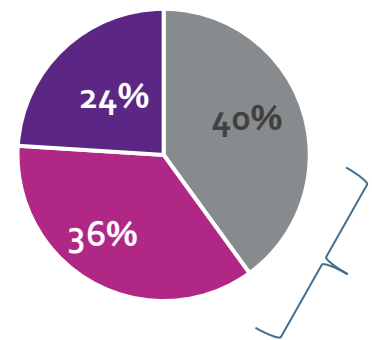
- Total deposits rose 2.3% QoQ and 20% YoY, driven by CASA deposits, as a result of our sustained focus on retail banking.
- Low-cost deposits now account for 76% of our total deposits. Low-cost deposits remained flat QoQ and grew 14% YoY.
- Retail (Personal and SME Banking) deposits which now constitutes about 88% of total deposits grew 7% QoQ and 20% YoY.

By Business Segment



■ Retail ■ Commercial ■ Institutional ■ Try. & Fin. Mkts.

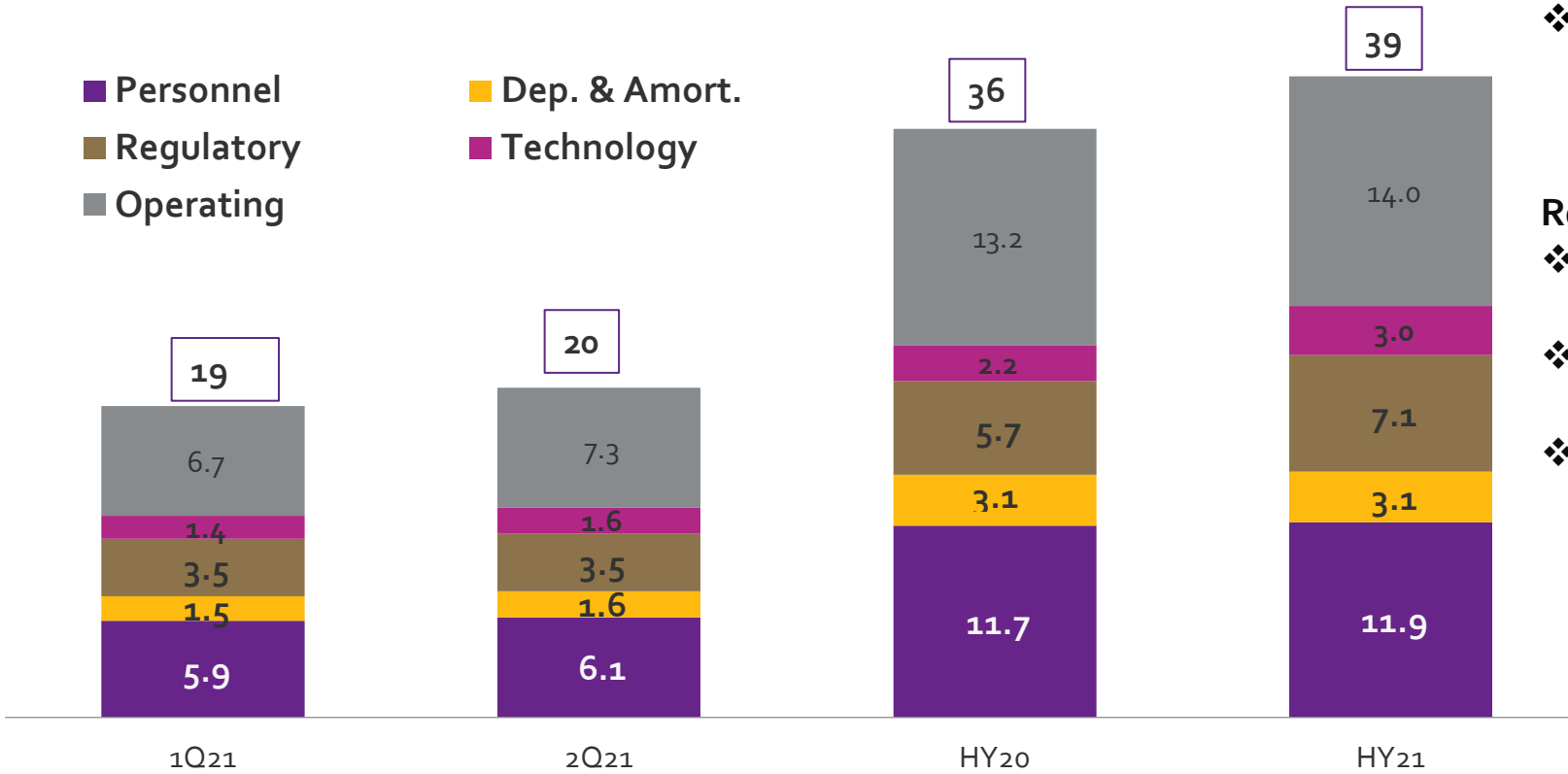
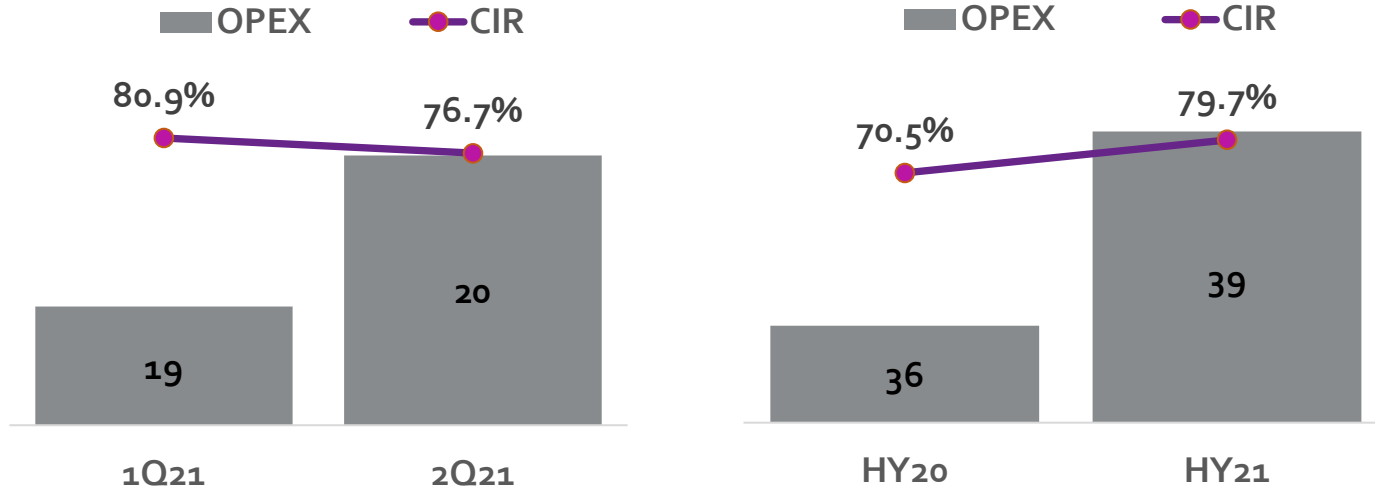
By Type



Low cost 76%

■ Current ■ Savings ■ Fixed

Cost Analysis & Reduction Plans



Analysis

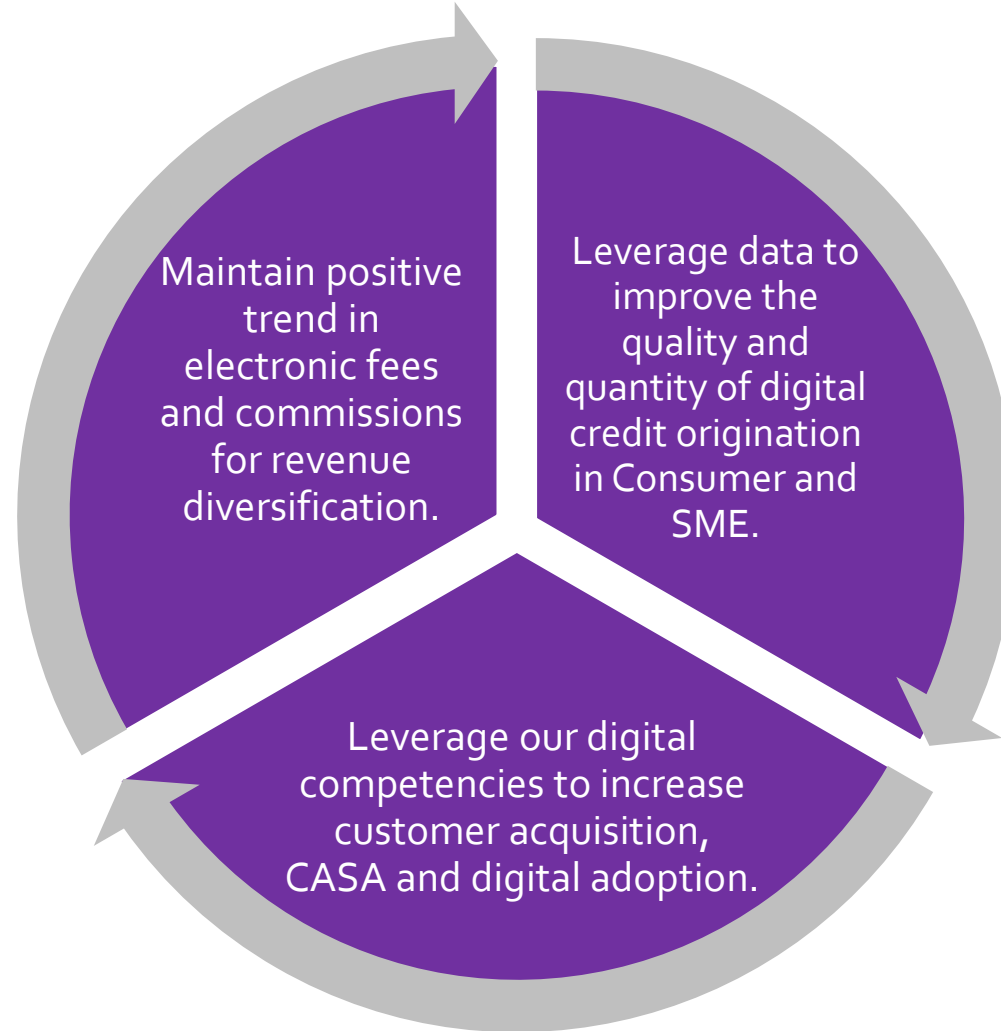
- ❖ Operating expenses increased 5.5% QoQ and 9.0% YoY. The QoQ was due to increased operating costs generally coupled with the double-digit inflationary environment and currency devaluation while YoY was due to regulatory cost, and resumption of business operations post lock-down.
- ❖ Regulatory costs (NDIC & AMCON) grew 24% YoY and accounted for 18% of OPEX in HY21.
- ❖ Technology costs grew 36% YoY and accounted for 8% of OPEX in HY21.

Reduction Plans

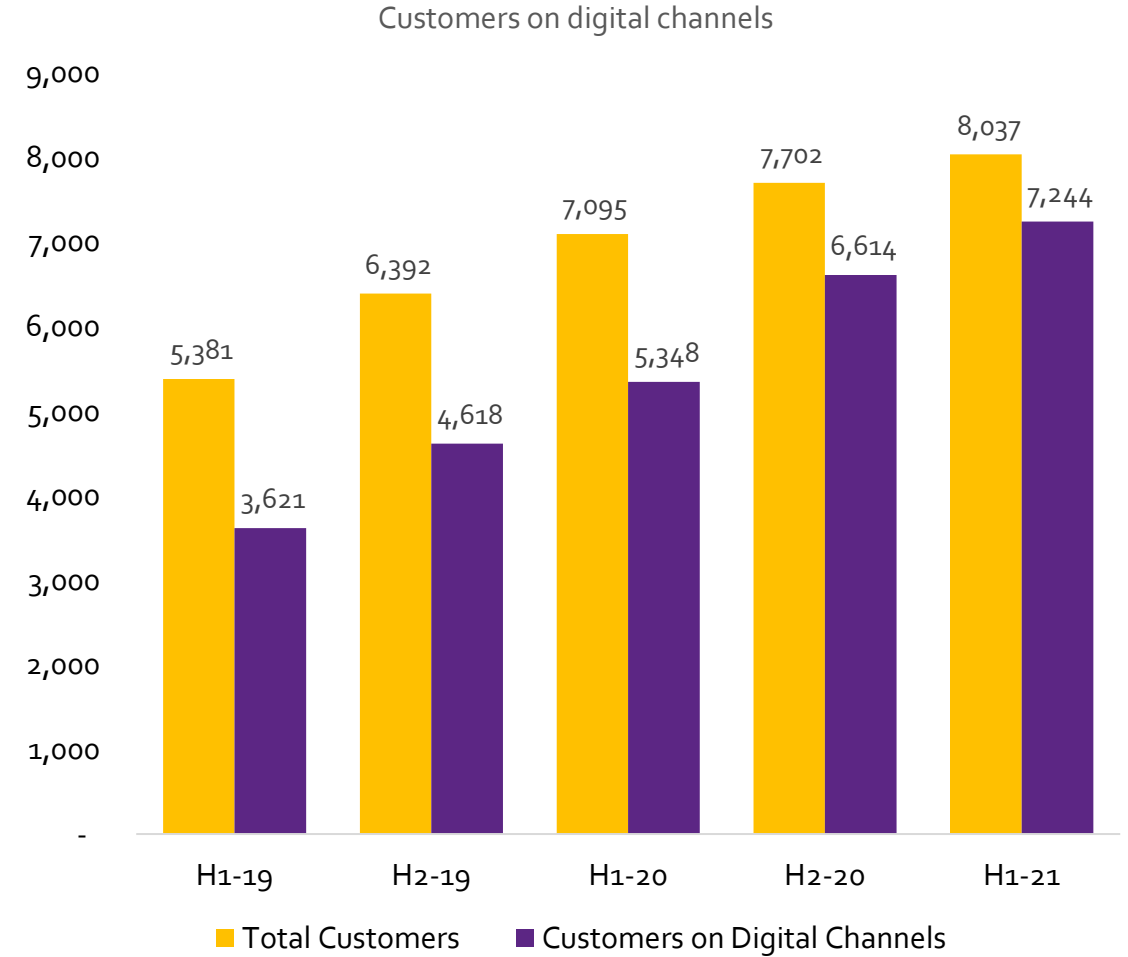
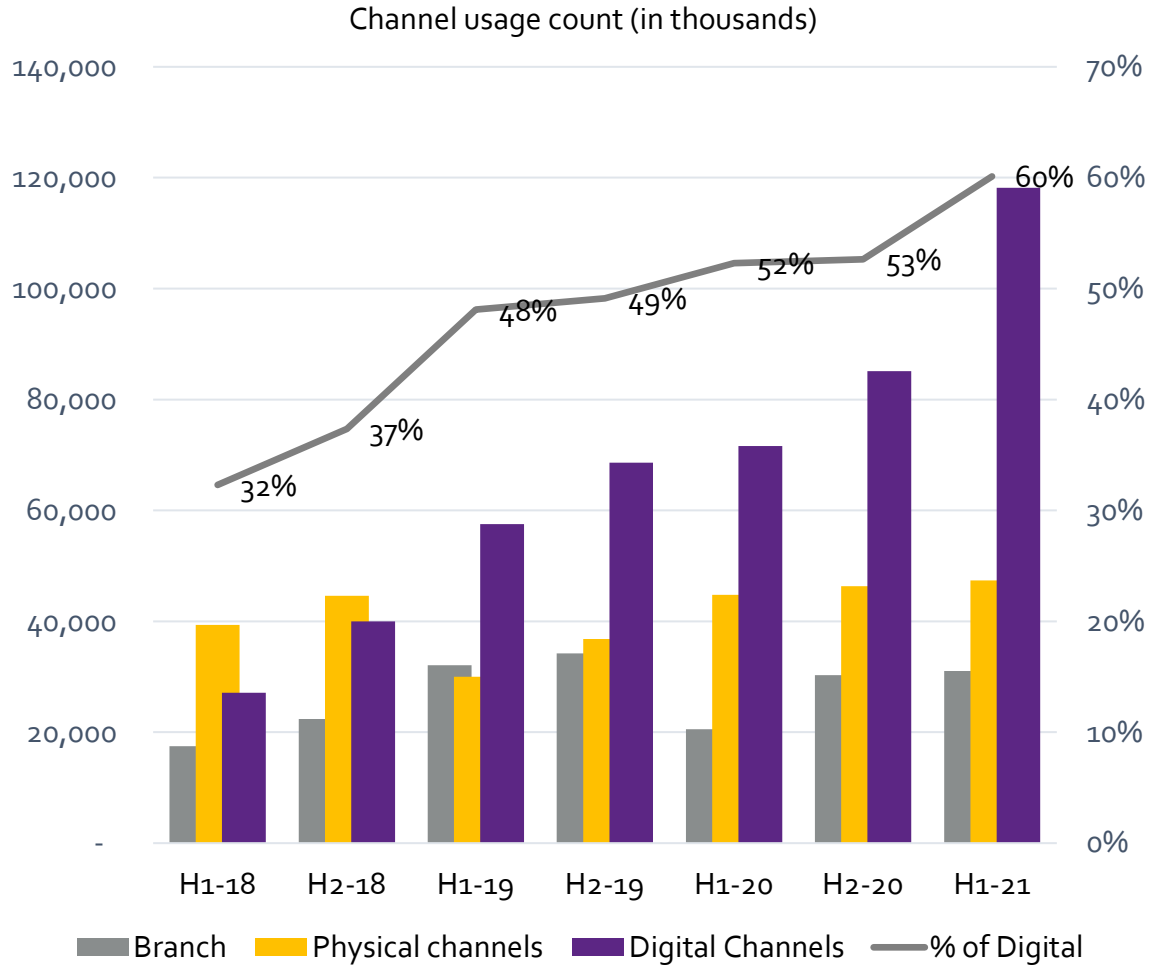
- ❖ Internal processing realignment and automation.
- ❖ Resources reallocation for optimisation performance.
- ❖ Focus remains on driving efficiencies and reducing cost-to-serve.

2021 Digital-led Retail and SME Banking Priorities

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



Investments in digital financial services is yielding positive results.

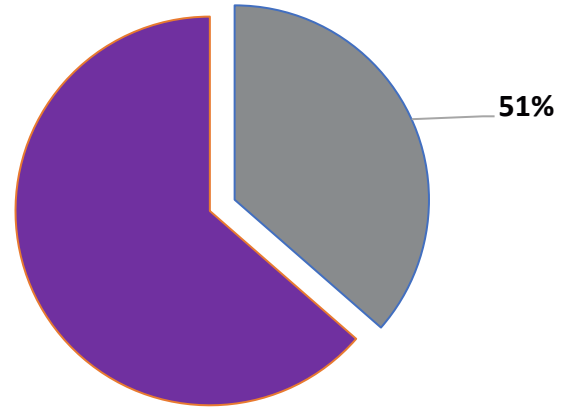


- Steady increase in adoption of digital channels for transactions-now at 60%.

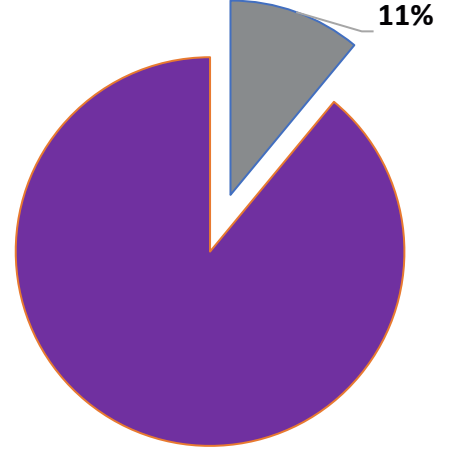
- Increased adoption rate on digital channels. 90% of total customers acquired have been on boarded on digital channels as at H1-2021.

Digital Payments Revenue Analysis

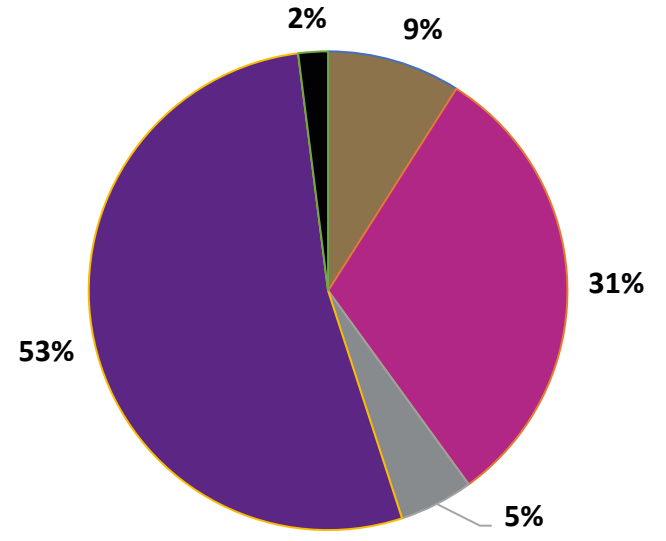
Contribution to Gross Fees & Commissions in HY21



Contribution to Gross Revenues in HY21



Breakdown of Digital Payments Revenue*



■ Alternative Channels
 ■ Cards
 ■ Merchant & Web Payments
 ■ Mobile
 ■ Others

*Payments Revenue includes Fees and Commissions only.



Digital payment's revenue - of N6.7bn - represents 11% of gross Revenue and 51% of gross Fees & Commissions.

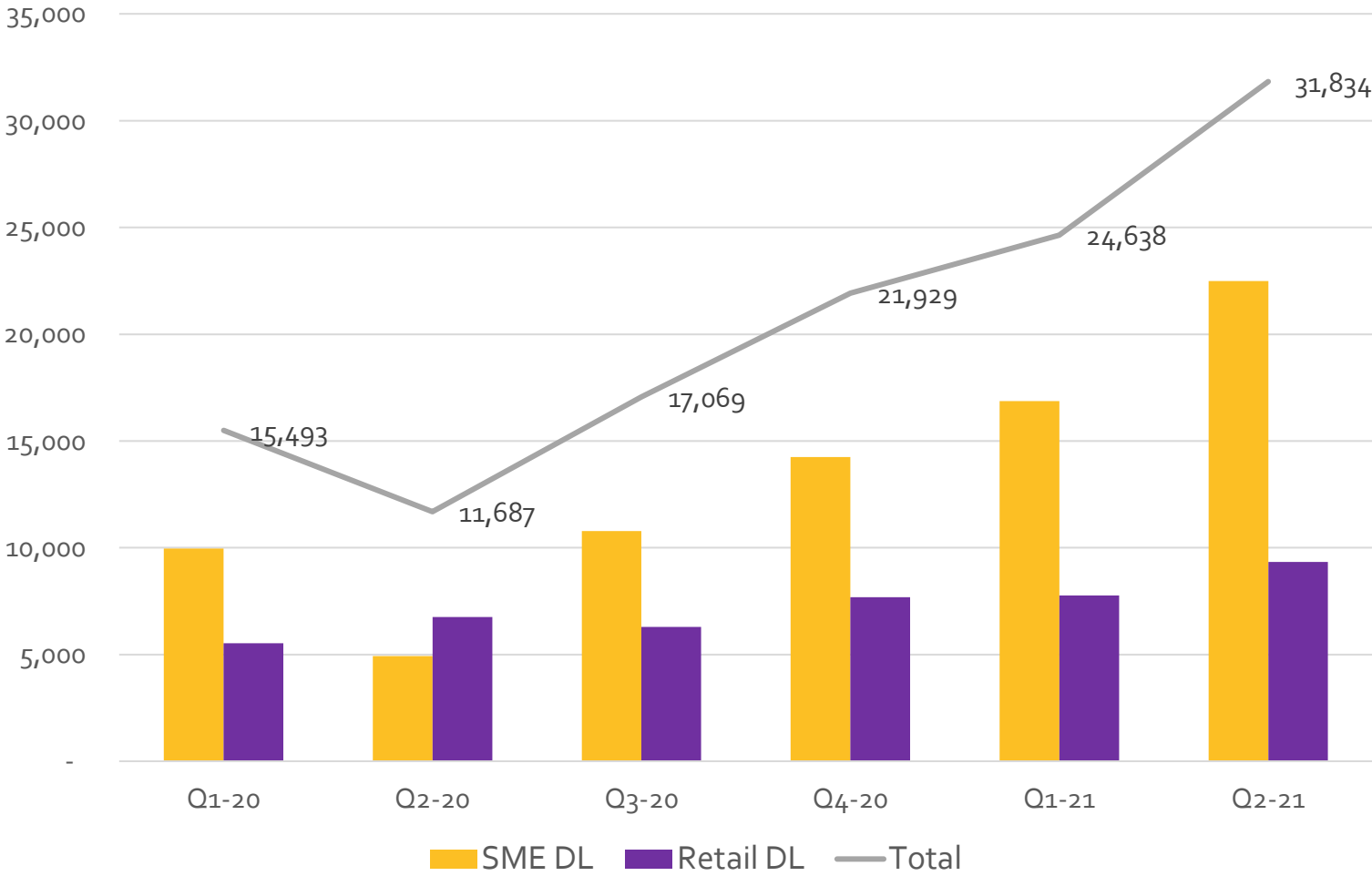


Mobile, cards and alternate channels payments are driving the strong retail digital revenues and will continue to see traction.



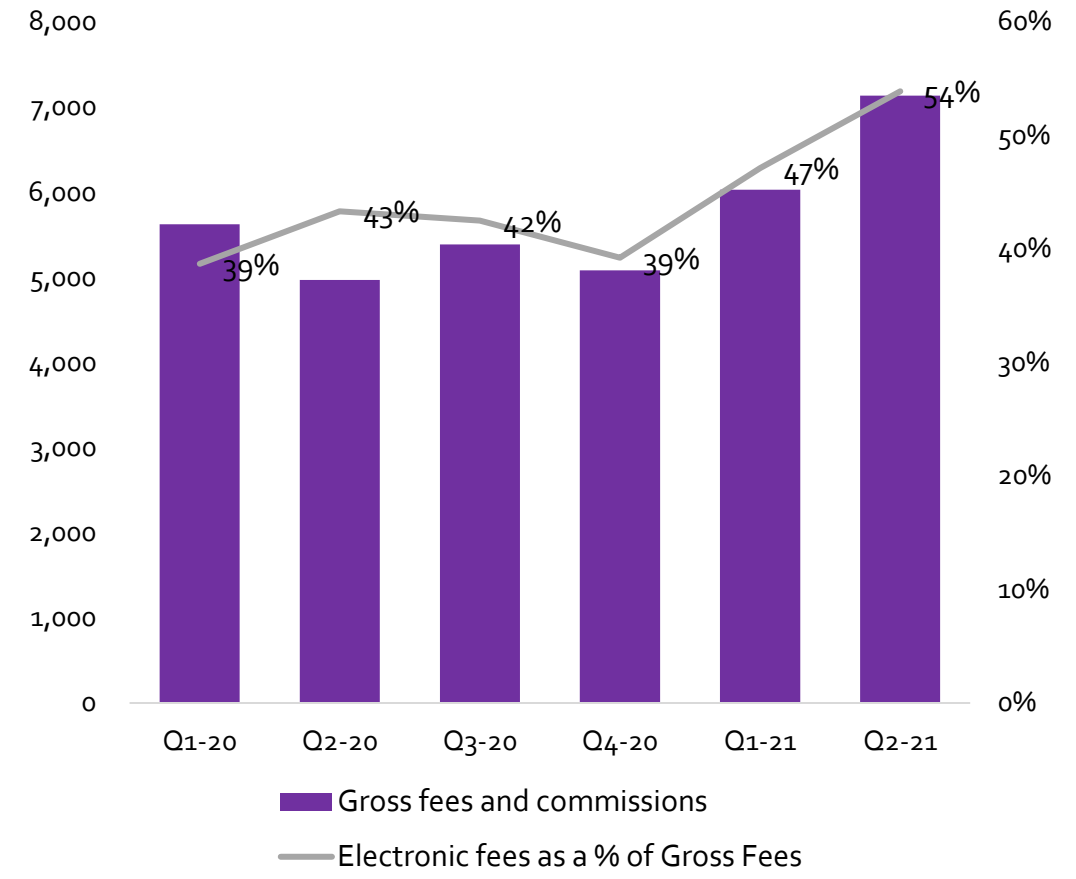
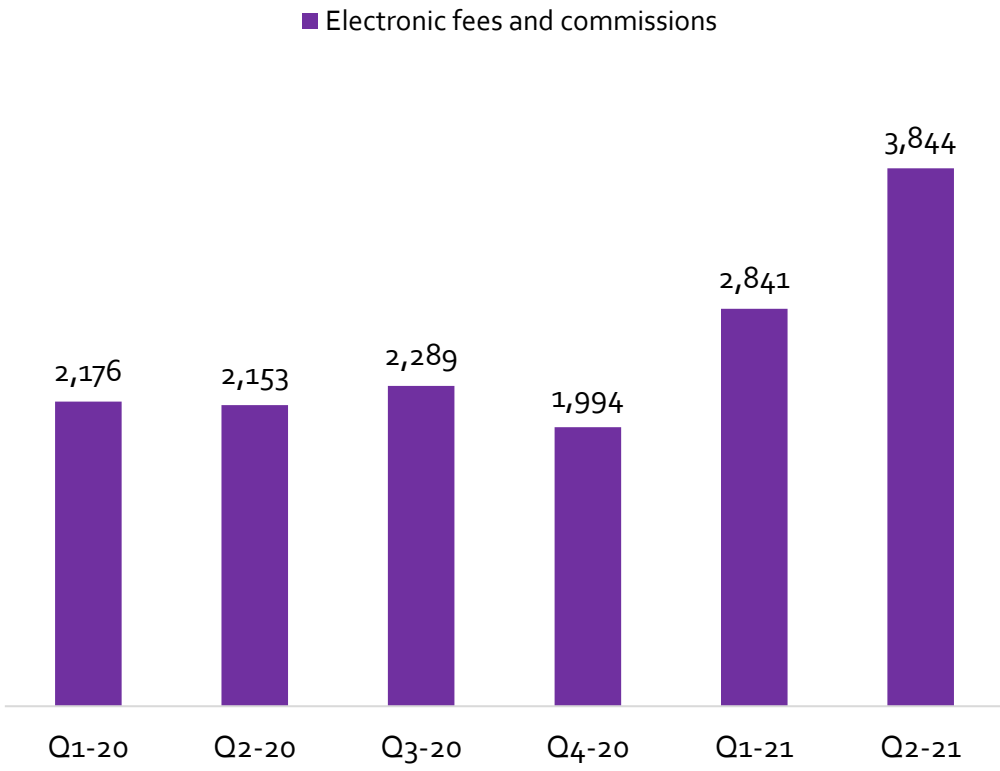
We see a lot of market opportunities from our Merchant Solutions and Web Payments, as we replicate the retail side's success to our SME, commercial and corporate customers.

Digital loans trend (in millions)



- 29% QoQ and 172% YoY growth in digital loans in both Personal banking and SME segments.
- Growth trajectory in SME due to the automation of the SME lending platform.
- Growth in Personal banking is from the deployment of self-service channels and innovative loan products.
- Digital lending revenue, as at HY21, of ₦4.3bn already represents 88% of FY20's Digital lending revenue (₦4.9bn).

Electronic fees and commissions trend



- 35.3% QoQ and 78.5% YoY increase in electronic fees and commissions showing improved transaction volumes on our digital channels.
- Electronic fees and commissions contributed 51% to gross fees and commission, up from 47% in 1Q21.

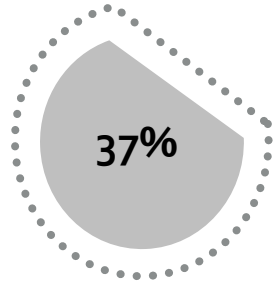


Group Performance Review: Corporate & Investment Banking

Mr. Femi Badeji: Executive Director FCMB Group Plc

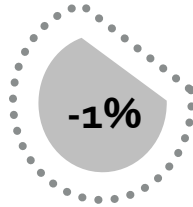
CIB: HY21 Performance Highlights

Total Assets
N738.0 billion



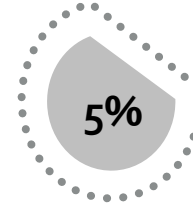
HY20: N538.9 billion

Operating Income
N8.37 billion



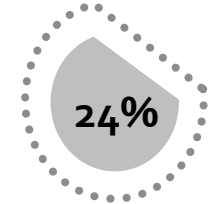
HY20: N8.42 billion

Loans
N554.1 billion



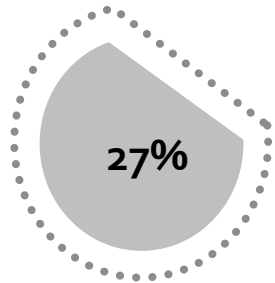
HY20: N528.2 billion

Deposits
N222.6 billion



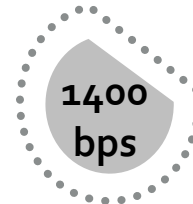
HY20: N179.4 billion

Profit before Tax
N(2.4) billion



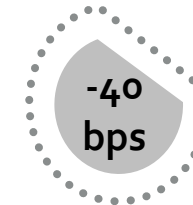
HY20: N(2.0) billion

Cost to Income Ratio
89%



HY20: 75%

Net Interest Margin
2.3%



HY20: 2.7%

01. Focus and deepen our presence in high growth sectors that offer better margins e.g. technology and healthcare



02. Increase cross-sell opportunities and transaction banking activity to boost Non-Interest Income



03. Increase NIM by increasing low-cost deposits using tech enabled solutions to support client collections and value chain finance



04. Strategically increase loan volume growth



CIB: HY21 Financial Analysis

- CIB's PAT decreased 51% QoQ and 26% YoY. The QoQ drop was mainly due to a 21% drop in Net Interest income, whilst the YoY drop was due to an 18% increase in Operating Expenses, mainly regulatory and tech investments costs.
- Net Interest Income dropped 21% QoQ and 1% YoY. The QoQ decline was largely due to the inability to immediately pass on rate increases to all clients as we went into an increased interest rate environment.
- Non-Interest Income increased 18% QoQ due to a 22% increment in Net Fees and Commissions, despite a 35% drop in Brokerage Commissions.
- YoY, CIR increased 18% as Operating Income remained flat, whilst Operating Expenses increased 18%.
- Impairment charges dropped 10% and 16% QoQ and YoY, whilst NPLs increased 2% and 6%, QoQ and YoY
- LDR trended downwards from 294% to 249% YoY as our tech solutions led collections strategy begins to translate to increased deposit growth.

N'm	1Q21	2Q21	%Δ QoQ	HY20	HY21	%Δ YoY
Income Statement						
Net Interest Income	3,552	2,811	-21%	6,421	6,363	-1%
Non Interest Income	922	1,086	18%	2,000	2,008	0%
- Capital Raising/Advisory Fees	138	124	-10%	270	261	-3%
- Brokerage Commissions	196	128	-35%	383	324	-16%
- Net Fees & Commissions	506	619	22%	1,141	1,125	-1%
- Trading Income	24	-7	-131%	46	16	-65%
- FX Income	25	24	-5%	47	49	5%
- Other Income	34	200	481%	113	234	106%
Operating Income	4,474	3,898	-13%	8,420	8,371	-1%
Operating Expenses	-3,694	-3,777	2%	-6,343	-7,471	18%
Net impairment loss on financial assets	-1,765	-1,584	-10%	-4,009	-3,349	-16%
PBT	-985	-1,463	48%	-1,932	-2,448	-27%
PAT	-1,001	-1,510	51%	-1,992	-2,510	26%
Balance Sheet						
Loans	548,356	554,055	1%	528,168	554,055	5%
Deposits	233,513	222,556	-5%	179,424	222,556	24%
Key Selected Ratios						
CIR	83%	97%	17%	75%	89%	18%
CASA	58%	58%	1%	61%	58%	-5%
LDR	235%	249%	6%	294%	249%	-15%
NIM	2.6%	2.1%	-21%	2.7%	2.3%	-13%



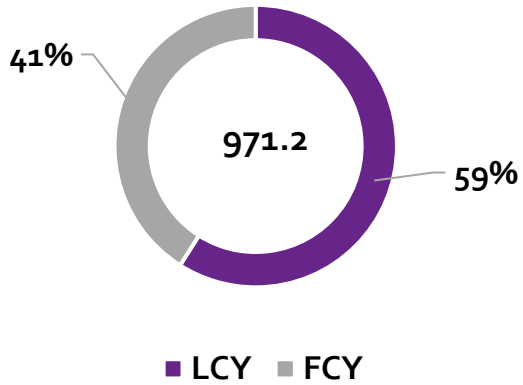
Risk Management Review

Mrs. Toyin Olaiya: Chief Risk Officer: FCMB Ltd

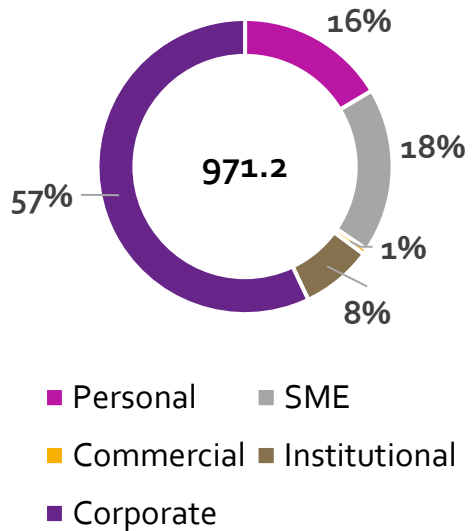


Diversified Loan Portfolio: Improved Concentration in FCY & Corporate banking loans QoQ. 3.8% growth QoQ was largely from Individual, Manufacturing, Commerce, O&G Downstream and Government.

By Currency



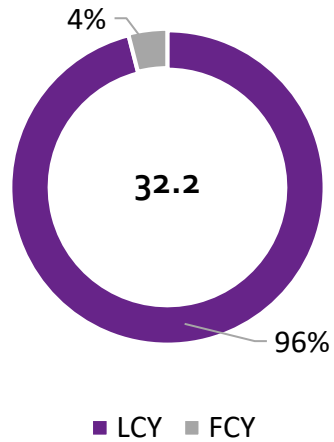
By Business Segment



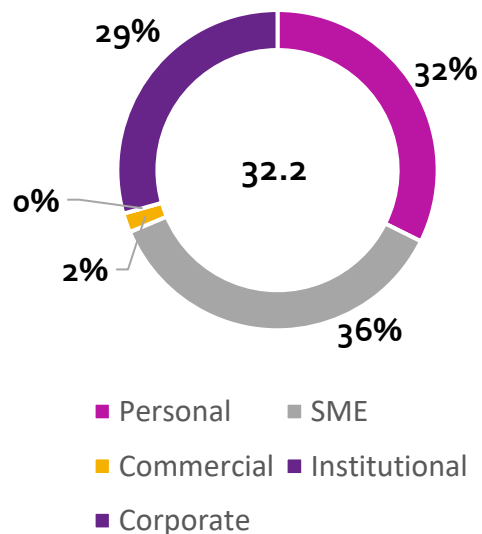
Industry Sector	Jun. 20	Sept. 20	Dec. 20	Mar. 21	Jun. 21	% DISTR.
Agriculture	45,372	47,450	60,828	59,092	53,564	5.5%
Commerce	67,850	63,237	51,425	65,251	72,650	7.5%
Construction	1,042	1,004	414	1,003	1,545	0.2%
Education	2,278	2,246	2,606	2,575	3,108	0.3%
Finance & Insurance	72,578	66,473	67,692	74,780	73,564	7.6%
General – Others	8,401	10,456	9,798	12,578	13,419	1.4%
Government	11,343	9,539	10,714	22,217	26,342	2.7%
Individual - Bank	96,660	105,058	110,063	117,683	125,922	13.0%
Individual - CDL	23,995	23,177	24,244	25,601	28,186	2.9%
Individual - Microfinance	1,773	2,364	2,269	2,457	3,096	0.3%
Information & Communications	27,509	22,474	19,501	18,235	18,258	1.9%
Manufacturing	83,037	78,508	91,389	103,305	110,411	11.4%
Oil & Gas- Downstream	62,950	62,389	61,398	67,560	71,897	7.4%
Oil & Gas – Upstream	140,829	137,715	143,058	147,978	144,153	14.8%
Oil & Gas Services	45,958	46,899	46,910	47,934	50,009	5.1%
Power & Energy	56,517	60,297	61,414	61,148	65,143	6.7%
Professional Services	608	523	881	775	3,245	0.3%
Real Estate	86,946	98,565	99,068	99,940	101,452	10.4%
Transportation & Logistics	6,206	6,137	5,230	5,273	5,200	0.5%
Total	841,852	844,510	868,900	935,384	971,164	100%

Non-Performing Loans: 6.3% QoQ growth in NPL is largely driven by slight deterioration in Individual's loan book and interest on existing NPLs.

By Currency

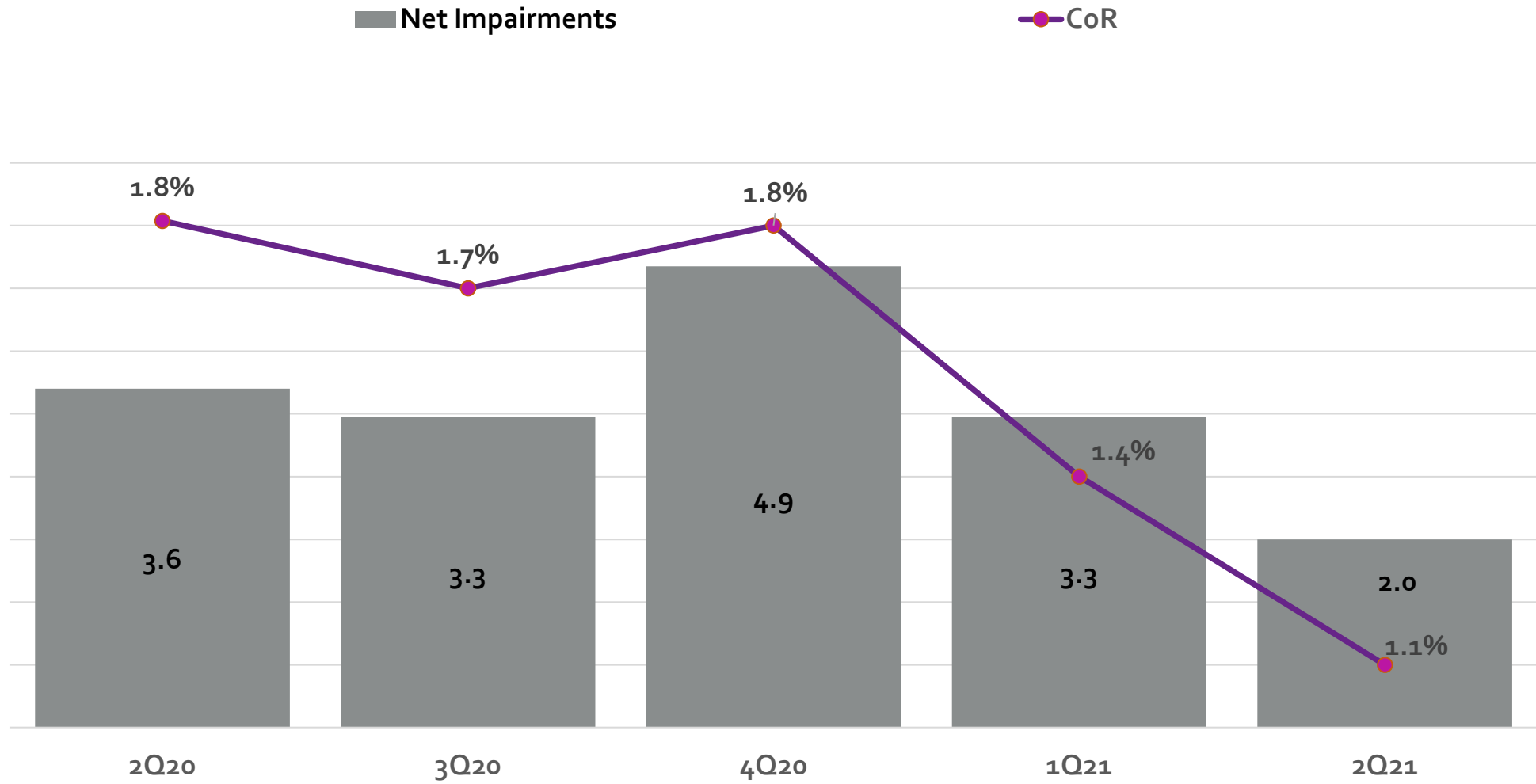


By Business Segment



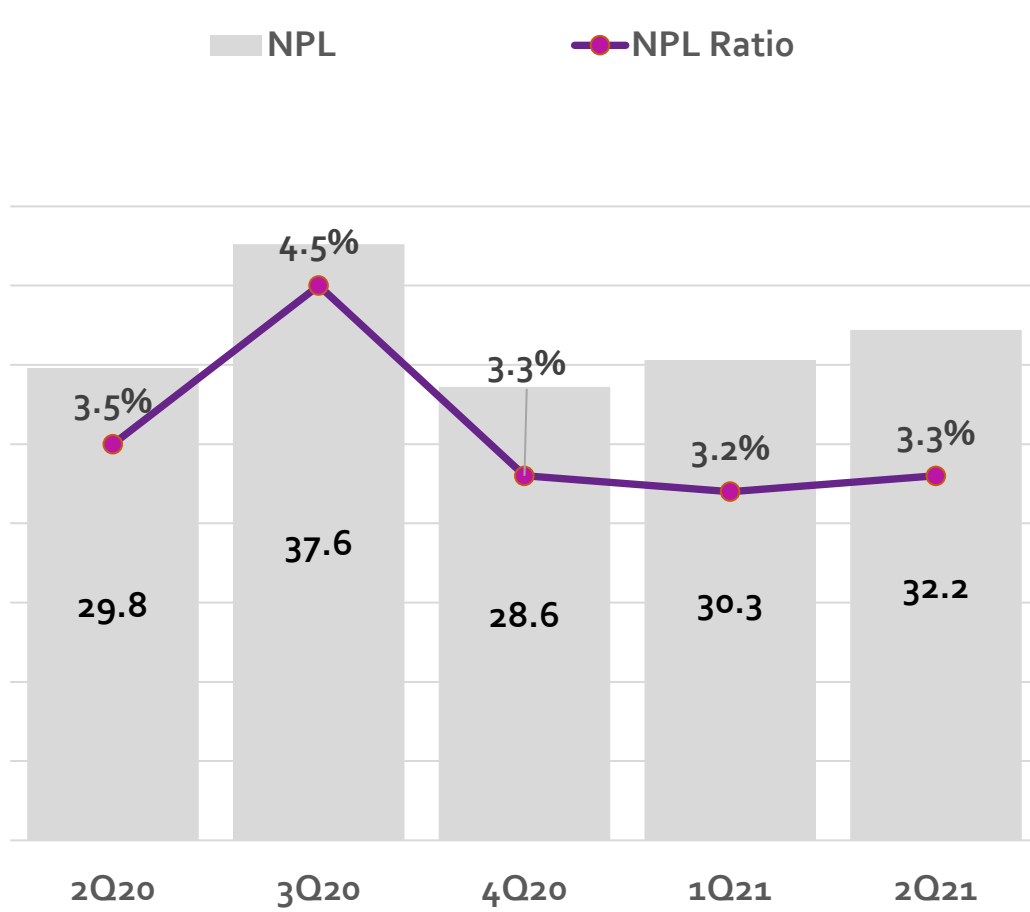
BY SECTOR	Jun. 2020		Mar. 2021		Jun. 2021	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	951.42	2.1%	834.03	1.4%	1,003.25	1.9%
Commerce	3,213.22	4.7%	4,602.29	7.1%	4,966.11	6.2%
Construction	8.54	0.8%	0.00	0.0%	0.00	0.0%
Education	66.33	2.9%	71.06	2.8%	83.49	2.7%
Finance & Insurance	1,212.92	1.7%	38.04	0.1%	50.36	0.1%
General – Others	412.29	4.9%	381.54	3.0%	455.08	3.4%
Government	0.94	0.0%	0.04	0.0%	0.05	0.0%
Individual - Bank	6,311.33	6.5%	5,403.56	4.6%	6,482.17	5.1%
Individual - CDL	2,545.64	10.6%	3,791.64	14.8%	3,782.53	13.4%
Individual - Microfinance	29.52	1.7%	78.00	3.2%	105.56	3.4%
Information & Communications	4,083.68	14.8%	1,707.46	9.4%	1,580.74	8.8%
Manufacturing	1,922.13	2.3%	191.47	0.2%	242.64	0.2%
Oil & Gas- Downstream	1,171.48	1.9%	5,937.51	8.8%	6,003.16	8.8%
Oil & Gas – Upstream	1,060.83	0.8%	1,060.92	0.7%	1,126.41	0.8%
Oil & Gas Services	0.28	0.0%	0.35	0.0%	38.92	0.1%
Power & Energy	-	0.0%	-	0.0%	-	0.0%
Professional Services	9.49	1.6%	25.37	3.3%	6.72	0.4%
Real Estate	6,727.96	7.7%	6,161.72	6.2%	6,277.86	6.2%
Transportation & Logistics	39.78	0.6%	0.03	0.0%	0.04	0.0%
Total	29,767.78	3.5%	30,285.03	3.2%	32,205.09	3.3%

Net impairment charges on loans (N'B) & Cost-of-risk

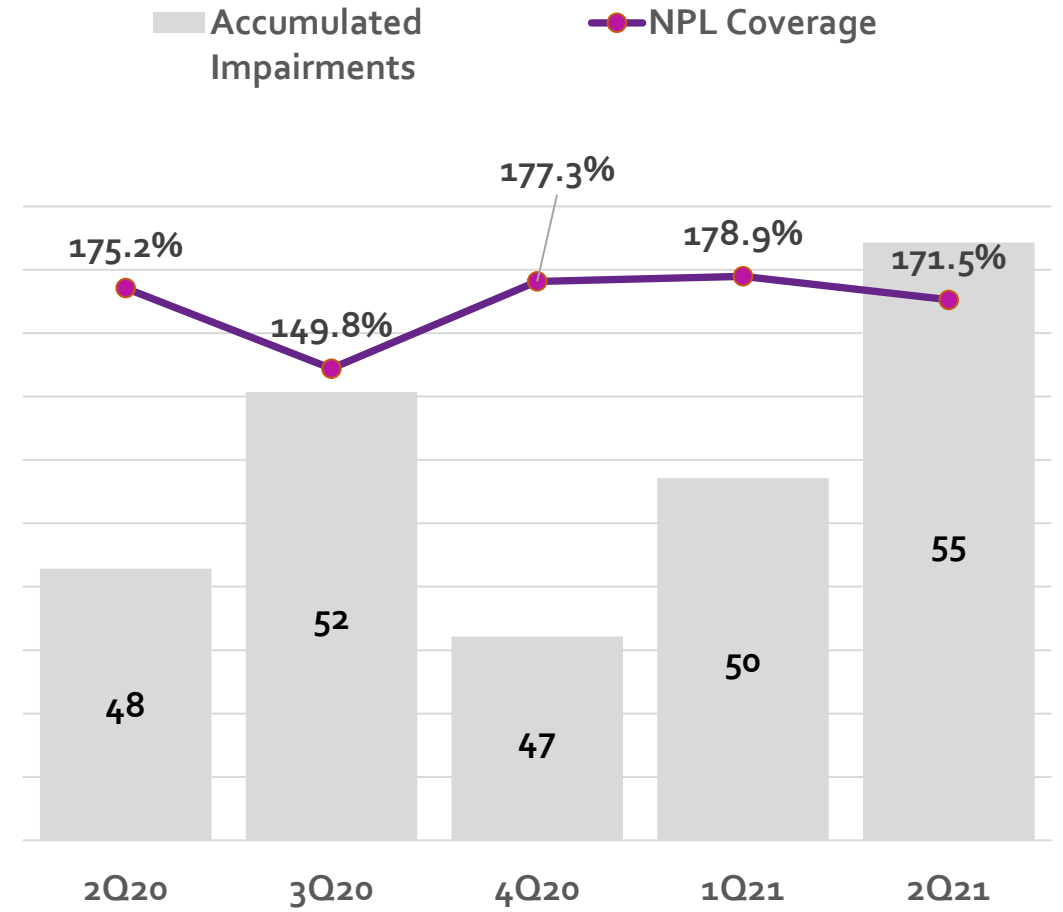


Proactively Built Reserves with Stable NPLs Year to Date

NPL (N'B) & NPL Ratio



Accumulated Impairments (N'B) & NPL Coverage





Group Performance Review: Investment Management

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

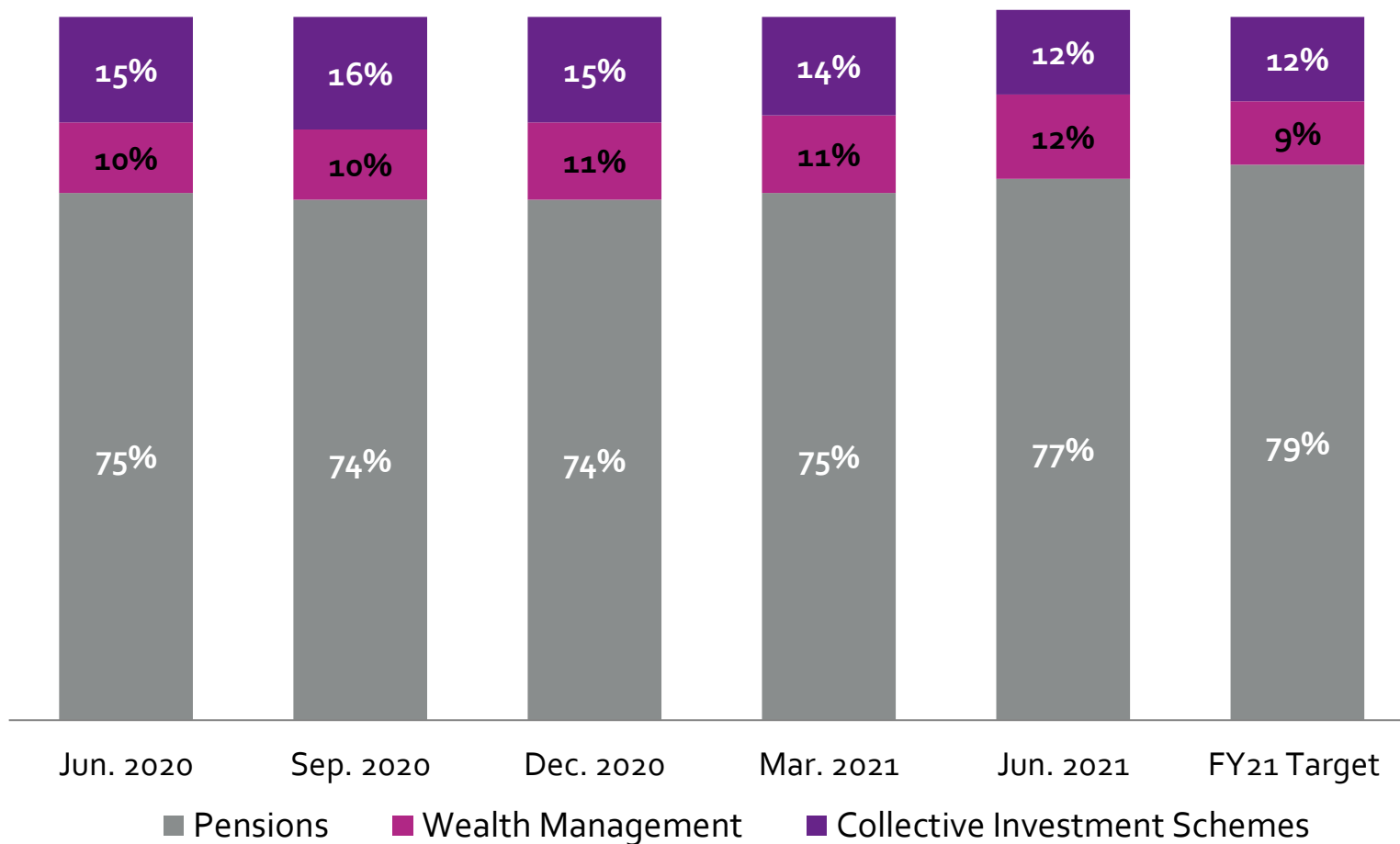
Investment Management: HY21 Results Review

- Assets Under Management grew by 10% year-on-year, to N500 billion, with investment return performing very strongly in 1H 2021.
- Our Pensions business contributed 77% of 2Q21 AUM, compared with 75% of AUM in 1Q 2021.
- The number of Retirement Savings Accounts grew by 1.1% quarter-on-quarter, to 461,464. Registrations via our digital Platform accounted for 57% of the increase.
- We were net recipients of funds from the transfer window, with a net inflow in excess of N360 million in 2Q.
- On the AllCO Pension Managers Ltd acquisition, the company became a direct subsidiary of our Pensions business, effective 5 July 2021.

N'm	1Q21	2Q21	%Δ QoQ	HY20	HY21	%Δ YoY
Gross earnings	1,211	1,259	4%	2,213	2,469	12%
Net Interest Income	26	48	84%	84	75	-11%
Non-Interest Income	1,184	1,210	2%	2,130	2,395	12%
– Advisory Fees	27	27	0%	48	54	14%
– Brokerage Commission	20	1	-93%	36	22	-40%
– Asset Management Fees	1,124	1,161	3%	2,024	2,285	13%
– Others	13	21	59%	23	34	49%
Operating Income	1,211	1,259	4%	2,213	2,469	12%
Operating Expenses	-628	-645	3%	-1,225	-1,273	4%
Net gains/(losses) from fin. instruments at fair value	0	0	n/a	1	0	n/a
PBT	582	613	5%	989	1,196	21%
PAT	412	434	5%	699	846	21%
AUM	496,697	499,980	1%	454,991	499,980	10%
ROAE	33%	33%	0.9%	32%	32%	0%
CIR	52%	51%	-1%	55%	52%	-7%

- We forecast a 37% year-on-year increase in the Group's full year AUM, to N677 billion. This includes the expected year-end AUM for AIICO;
- Contribution to AUM from Collective Investment Schemes and Wealth Management should account for 21% of total year-end AUM, down from 26% at the end of 2020, reflecting the impact of consolidation of AIICO's AUM under our Pensions business line;
- Full year PBT is projected to increase by 17%, to N2.37 billion, with our Pensions business contributing 63% of the total. The estimated N1 billion annual PBT impact from the AIICO acquisition will start to reflect from next year;
- We plan to increase collaborations with external parties and will make equity investments, where they align with our inorganic growth strategy.

Investment Management Group - Contribution to AUM





Outlook

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

Outlook: Expecting a stronger and more sustainable performance in H2, driven by:

NIMs to improve in H2 supported by acquisition of over 400,000 customers, low cost deposit growth, loan growth in SME and personal banking.

Non Interest Income to continue steady growth driven by electronic banking fees and commissions coming from growth in transacting customers (predominantly digital).

Growth in earning assets to be funded by low cost deposit growth, on-lending from DFIs (eg AfDB).

Organic AUM growth of >10% in H2 to support net income growth in asset management (AICO acquisition impact to be felt in 2022).

OPEX to be flat in H2 due to non-recurrence of AMCON levy of ₦3.6 billion in Q4.

Stable cost of risk.