



FCMB Group Plc records a 148% growth in Profit Before Tax to ₦38.2 billion for the period ended June 2023.

LAGOS, NIGERIA – 31 July 2023 FCMB Group Plc (Bloomberg: **FCMB**) (“FCMB Group”) announces its Unaudited Group Results for the period ended June 2023.

Financial Performance Highlights:

Earnings Analysis

- ❖ Gross revenue of ₦238.2 billion for the period ended June 2023, an 88.7% growth from ₦126.2 billion for the same period prior year. This was driven by a 51.9% growth in interest income and a 216.9% growth in non-interest income.
- ❖ Net interest income grew by 20.2% from ₦60.2 billion, in the prior year, to ₦72.3 billion at the end of June 2023. This was driven by a growth in the yield on earning assets for the period ended June 2023.
- ❖ Operating expenses grew 23.6% Year-on-Year to ₦70.6 billion for the period ended June 2023, due to increased personnel costs, regulatory costs, technology related costs and general inflationary pressures. Cost-to-income ratio closed at 45.3% for the period ended June 2023.
- ❖ Net impairment loss on financial assets increased Year-on-Year to ₦47.1 billion, for the period ended June 2023, from ₦10.7 billion in the prior year resulting in a growth in cost of risk to 5.9% at half year 2023. The was primarily due to the 63% devaluation of the currency during Q2. We recorded a revaluation income of ₦49 billion; however, the bank set aside ₦37 billion as additional impairments to proactively address worsening forward looking indicators for expected credit losses and deteriorations in the loan book that may occur as a result of the devaluation.
- ❖ PBT grew by 147.8% Year-on-Year to ₦38.2 billion with divisions of the Group recording robust earnings growth; Banking Group 185.5%, Consumer Finance 10.3%, Investment Management 53.3%, and Investment Banking 54.3%.

Financial Position:

- ❖ Loans and advances grew by 37.4% Year-on-Year from ₦1.12 trillion to ₦1.54 trillion at the end of June 2023.
- ❖ Total assets increased by 40.2% Year-on-Year from ₦2.65 trillion to ₦3.72 trillion at the end of June 2023.
- ❖ Customer deposits grew by 45.3% Year-on-Year from ₦1.64 trillion to ₦2.38 trillion at the end of June 2023.
- ❖ Assets Under Management grew by 23.6% Year-on-Year from ₦736.4 billion to ₦910.3 billion at the end of June 2023.

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Mr. Oladipupo Jadesimi (Chairman), Mr. Ladi Balogun (Group Chief Executive), Mr. Gbolahan Joshua (Chief Operating Officer) Mr. Femi Badeji (Executive Director), Alhaji Mustapha Damicida (Non-Executive Director), Prof. Oluwatoyin Ashiru (Non-Executive Director), Dr. (Engr) Gregory Omosigho Ero (Non-Executive Director), Mrs. Olapeju Sofowora (Non-Executive Director), Mrs. Tokunboh Ishmael (Non-Executive Director), Ms. Muibat Ijaiya (Non-Executive Director)

- ❖ Investment Banking (advisory and primary debt and equity capital markets) transaction value consummated by the Group rose to ₦519.7 billion for the period ended June 2023, compared to ₦376.5 billion in the same period prior year, a 37% growth in fees from capital raising and advisory mandates.

Other Key Highlights:

- ❖ **Democratizing access to Comprehensive Financial Services:** Our customer base grew by 16.2% YoY from 10.1 million to 11.7 million customers for the period ended June 2023, acquiring over 869,000 customers from the start of the year, whilst users of our new mobile app that offers lending, wealth and payment solutions grew by 20% YoY to 1.6 million. Similarly, our agency banking network grew to over 115,000 agents.

With an enlarged customer base, an expanded distribution platform, and the use of artificial intelligence to automate and optimize our loan underwriting processes, we were able to disburse over 3 million loans worth N105 billion to individuals, N5.2 billion to micro enterprises and N171 billion to SMEs during the period.

78,000 customers were also able to access retail investment products via our digital channels.

- ❖ **Promoting Sustainable Economic Growth:** For the period ended June 2023, we contributed to food security and import substitution in Nigeria by growing our lending to the agricultural sector by 18.4% from ₦147.4 billion in FY 2022 to ₦174.0 billion. Working with our partners, we provided access to finance for 24,000 rural farmers and supported the rehabilitation of 80,000 farming households in the North-East for the period ended June 2023. In addition, over N71.6 billion of funding from DFI's and donor agencies at the end of June 2023, was channeled through the Bank to support the attainment of sustainable development goals in critical sectors of the economy.
- ❖ **Driving Export and Diaspora Flows:** Leveraging our core business of banking, we are driving foreign exchange flows, facilitating over \$160 million and \$81 million in export and remittance flows into the country, respectively, during the 1st half of 2023.
- ❖ **Climate action:** To support our commitment to drive renewable energy, we secured funding of up to ₦5 billion from local development finance institutions for the purpose of on-lending to customers requiring solar energy solutions.

- ❖ **Digital Transformation:**

We continue to reduce our carbon footprint, enhance our operating efficiencies and improve customer satisfaction through the effective use of technology to reach our customers, as follows:

- Digital Retail Lending: Over 762,000 loans, totaling ₦43.9 billion were accessed, underwritten, and disbursed via our digital channels for the period ended June 2023.
- Digital SME Lending: Over 9,400 loans, totaling ₦79.7 billion were accessed, underwritten, and disbursed via our digital channels for the period ended June 2023.

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- Digital Wealth Management: AUM in our digital wealth propositions grew to ₦11.0 billion for the period ended June 2023 from ₦9.0 billion in the same period prior year.
- Digital Payments, Wealth, and Lending continued to empower a greater number of our customers resulting in a 30.6% growth in digital revenues from ₦17.3 billion as at June 2022 to ₦22.6 billion for the period ended June 2023.
- The above initiatives supported the reduction of our cost income ratio to 67.3% excluding revaluation gain (45.3% inclusive of revaluation income) and an average customer net promoter score of 42% in H1 2023.

We continue to leverage our unique Group structure to build a technology driven ecosystem that is fostering inclusive and sustainable growth in the communities we serve. This strategy is enabling us to deliver robust performance in spite of the challenging domestic and global environment. Barring unforeseen circumstances, we believe this trend will be sustained and accompanied with improving efficiencies arising from greater scale and ongoing digitization.

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Conference Call & Webcast for Results

FCMB Group Plc (Bloomberg: FCMB) will be hosting a conference call and webcast for analysts and investors on **Friday 4 August** at **15.00 Lagos / 15.00 London / 10.00 New York / 16.00 Johannesburg**, with its senior and divisional management to review these Results and respond to questions from investors and analysts.

Webcast details for participants:

Participants should please log-on to the webcast/register for the call at least fifteen minutes before the start of the conference call.

Participants can log on to the link for the webcast by clicking on <https://edge.media-server.com/mmc/p/sbbrss3d> or by going to the 'Upcoming Events' or 'What's New' sections on FCMB's Investor Relations homepage, which can be accessed by clicking on www.fcmbgroup.com/investor-relations. Though, it is also noteworthy that, via the webcast, participants will have the option to type and send us written questions, without the need to dial in.

Conference call details for participants:

1. Participants are required to register in advance of the conference using the link provided below. Upon registering, each participant will be provided with Participant Dial-In Numbers, and a unique Personal PIN.
2. In the 10 minutes prior to the call start time, participants will need to use the conference access information provided in the e-mail received at the point of registering. Participants may also use the call me feature instead of dialing the nearest dial in number.

Online Registration: <https://register.vevent.com/register/Bl1a011ed814314deeg18ad87d4419d3de>

The presentation and all other related documents, for the call, will be posted under the 'What's New' section on FCMB's Investor Relations homepage, which can be accessed by clicking on www.fcmbgroup.com/investor-relations from 09.00 Lagos / 09.00 London on Friday 4 August.

The webcast recording will be done in real-time, so it will be available as soon as the conference call & webcast begins at 15.00 Lagos / 15.00 London on Friday 4 August.

For further information, please contact:

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Notes to editors:

About FCMB Group Plc

FCMB Group Plc is a financial services group, headquartered in Lagos, Nigeria, with operating companies divided along four business groups – The Banking Group (First City Monument Bank Limited ('The Bank'), FCMB (UK) Limited and FCMB Microfinance Bank Limited); Consumer Finance (Credit Direct Limited); Investment Banking (FCMB Capital Markets Limited and CSL Stockbrokers Limited) and Investment Management (FCMB Pensions Limited, FCMB Asset Management Limited and FCMB Trustees Limited). Listed on the Nigerian Stock Exchange (NSE) with the ticker symbol (FCMB), FCMB Group Plc has 19,802,710,781 ordinary shares held by over 516,000 shareholders.

First City Monument Bank Limited, the flagship company, has over 9 million customers and 206 branches in Nigeria and a banking subsidiary in the United Kingdom through FCMB Bank (UK) Limited (which is authorized by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA in the United Kingdom).

More information can be found at www.fcmbgroupplc.com
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